

ROANOKE CITY COUNCIL

May 2, 2005

9:00 a.m.

The Council of the City of Roanoke met in regular session on Monday, May 2, 2005, at 9:00 a.m., in the Emergency Operations Center Conference Room, Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, with Mayor C. Nelson Harris presiding, pursuant to Chapter 2, Administration, Article II, City Council, Section 2-15, Rules of Procedure, Rule 1, Regular Meetings, Code of the City of Roanoke (1979), as amended, and pursuant to Resolution No. 36762-070604 adopted by the Council on Tuesday, July 6, 2004.

PRESENT: Council Members Brian J. Wishneff, M. Rupert Cutler, Alfred T. Dowe, Jr., Beverly T. Fitzpatrick, Jr., Sherman P. Lea, Brenda L. McDaniel, and Mayor C. Nelson Harris-----7.

ABSENT: -----0.

The Mayor declared the existence of a quorum.

SCHOOL TRUSTEES PRESENT: William H. Lindsey, Gloria P. Manns, Alvin L. Nash, Robert J. Sparrow, David B. Trinkle, and Kathy G. Stockburger, Chair---6.

SCHOOL TRUSTEES ABSENT: Courtney A. Penn-----1.

OFFICERS PRESENT: Representing the City of Roanoke: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; Mary F. Parker, City Clerk; George C. Snead, Jr., Assistant City Manager for Operations; and Rolanda B. Russell, Assistant City Manager for Development.

Representing the Roanoke City School Board: Marvin T. Thompson, Superintendent (effective July 1, 2005); Doris N. Ennis, Acting Superintendent; Cindy H. Lee, Clerk to the School Board; Timothy R. Spencer, Assistant City Attorney and Legal Counsel to the School Board; Dr. Lou Talbutt, Executive Director for Student Support Services; and Crystal Y. Cregger, Executive Director for Support Services.

The Mayor extended a welcome to the School Board, the new Superintendent of Schools Marvin T. Thompson, and administrative staff.

COUNCIL-SCHOOLS: On behalf of the School Board, Chair Stockburger expressed appreciation for the opportunity to meet with Council. She officially introduced Marvin T. Thompson, Superintendent of Schools, effective July 1, 2005.

Mr. Thompson expressed appreciation for a warm welcome to the Roanoke Valley. He stated that he was impressed with the School Board and its vision and goals for Roanoke City Public Schools. He advised that when looking at the big picture, it is about the future for Roanoke's school system; therefore, certain systems and processes will be critical to shaping the future of tomorrow.

The Mayor expressed appreciation to Acting Superintendent Doris Ennis for her service to the Roanoke City School system. He stated that Ms. Ennis has brought great leadership during a year of transition and the City appreciates her many years of service to the School system as a teacher, principal and Acting Superintendent.

2005 High School Football Venue:

Chair Stockburger advised that the School Board supports the recommendation of the Superintendent and executive staff that efforts be made to secure Victory Stadium for all high school home football games in the fall of 2005. She submitted the following list of needs and specifications to closely emulate playing conditions that have existed in the past at Victory Stadium:

1. Provide locker room facilities for both teams in the National Guard Armory.
2. Erect a press box—
 - a. Three locations to provide space for announcing, filming the games, coaching (announcer and scorekeeper; home coaches' box and filming area; visitor coaches' box and filming area)
 - b. Press box needs to accommodate a minimum of 20 people (40' x 6')
 - c. PA system for use during games

3. Working scoreboard and 25 second play clocks.
4. Wireless headsets for both teams (set up on two separate channels)
5. Bleacher seating for 3,000 patrons
6. Sideline benches for both teams (enough to seat 40 on each side)
7. Upgrade lighting for field
8. Provide modular port-a-john units for patrons
9. Adequate fencing surrounding brick structure to ensure safety for all patrons
10. Fence around playing field to separate players and patrons (there is a concern about having fans so close to the playing field)
11. Yard line markers every ten yards and at goal line
12. Access to water on sidelines
13. Approval for high schools to run their own concessions on game nights

The Mayor advised that at its meeting on Monday, April 18, 2005, Council directed the City Manager to begin making preparations for fall high school football season to be played on the field at Victory Stadium; and the City Manager has been in the process of making the necessary plans and has conferred with the Acting Superintendent of Schools. He stated that the School Board has submitted certain items for consideration in preparation for the opening of the Victory Stadium field for high school football this fall; certain minor details remain to be worked out and cost options will be presented by the City Manager later in the day for the Council's consideration. He commended both the City and the School administrations for working out many of the details.

Chair Stockburger advised that she has informed her colleagues on the School Board of some of the nuances of needs expressed by athletic directors and coaches so that certain needs can be met at the most reasonable cost while not anticipating any permanent type actions. She stated that it is not believed that there will be any surprises financially or otherwise that should be of concern to Council or to the School Board.

The City Manager advised that the above referenced immediate list of 13 needs and specifications went beyond what might be considered the norm to get ready for temporary football play at Victory Stadium and the Council will be asked to consider options later in the day that will range from \$80,000.00 to \$300,000.00+. She stated that football games will be played at Victory Stadium, the arrangement may be slightly different than in past years, but players will have the opportunity to play football on a good field.

Council Member Lea inquired about item 13: approval for high schools to run their own concession on game nights.

The City Manager advised that the issue is a decision that will be made by the Council as it explores the various options; and, in the past, the City operated the concessions which provided a small revenue source to offset the cost of playing football at Victory Stadium, given the small amount of rent that is charged to the school system in comparison to expenses incurred. She stated that whatever option is selected by the Council for the temporary use of Victory Stadium, it will be necessary to contract with vendors to operate small portable carts, regardless of whether concessions are managed by the City or by the School system. She added that expenses involved in getting Victory Stadium ready for football use should be considered by the Council before making a decision with regard to concessions.

Chair Stockburger advised that she had previously inquired if it would be possible for the high school Boosters Clubs to operate low tech concession stands and furnish their own tables, prepackaged foods, etc., which would involve little or no overhead cost. She stated that another option could involve the Boosters Clubs contracting with concession vendors and the Booster's Clubs could share in a small percentage of the profits.

Roanoke Academy for Mathematics and Science School – Progress Report:

The Chair advised that the School Board has actively monitored the progress of the new Roanoke Academy for Mathematics and Science Elementary School and expects the general contractor to perform its duties under the terms of the contract. She stated that in an effort to assist the general contractor in the completion of its duties, Roanoke City Schools secured the construction management services of J. M. Turner & Co., Inc., to assist with project completion; the cost of the project will not exceed contract price; a moving date for staff and students will be announced once a certificate of occupancy is obtained; and students will not move into the facility before SOL testing is completed on May 19, 2005, to ensure that the focus remains on instruction.

It was noted that Roanoke Academy will be a state-of-the-art school; each classroom, including the media center and cafetorium, is equipped with a 27" television to broadcast educational programs; students will utilize mobile computer labs that will provide for wireless Internet access, in addition to

computer workstations in each classroom; teachers will have the ability to make PowerPoint presentations in the classrooms; the math lab, science lab and computer lab are equipped with interactive whiteboards which allow video and computer images to be projected; students can interact with the whiteboard using a stylus or their finger as a mouse; screen images can be captured and saved for review or future learning opportunities; and teachers can develop electronic lesson plans in advance to be used by substitute teaching staff should the need arise.

Question was raised if a Clerk of the Works will be considered for major construction projects in the future; whereupon, Ms. Cregger advised that a similar type position is under consideration for the William Fleming High School Project; and the School system has successfully applied the approach of the architectural firm serving as the Clerk of the Works over 16 completed projects ranging from substantial renovations to various upgrades. She stated that with the size of the William Fleming High School project and the problems encountered with the RAMS construction, the concept will be considered since it has been successful in connection with the Patrick Henry High School construction.

Safety/Discipline/School Uniforms:

The Chair advised that recommendations from the School Safety/Discipline Task Force (May 21, 2004) include five (5) action arenas:

1. Human Resources Development
2. Leadership Policy and Operations
3. Student Programs
4. Staffing
5. Communication and Collaboration Throughout the Roanoke Community.

She stated that the Roanoke school district has accomplished numerous recommendations in the five arenas proposed by the Task Force; and major actions are summarized under each specific arena.

Arena I: Human Resource Development

Human resources that affect schools have been expanded and developed.

- ✓ Staff training on the reporting and recording of discipline data continues to be conducted on a regular basis. For example, the ***Student Code of Conduct (Standards and Expectations for Student Behavior K-12)*** has been revised and disseminated to provide clear and consistent rules and policies. For example, discipline codes for infractions were illustrated in the publication to provide consistency in reporting and recording discipline.
- ✓ De-escalation Training was conducted and completed by March 1, 2005 for staffs in all schools. Schools are reporting positive results.
- ✓ Youth Court has been established in both high schools resulting in over 53 students receiving disciplinary consequences other than out-of-school suspensions; thus, reducing out-of-school suspensions.

Arena II: Leadership Policy and Operations

The policies and procedures are clear for student behavior and all administrators have set higher expectations for students.

- ✓ The School Board will take action on a **dress code policy** at the May Board meeting, which, if passed, will require all school handbooks to follow a consistent dress code with the requirements set forth in the ***Student Code of Conduct***. Additionally, the Board is considering policies and regulations specifically addressing school uniforms pending approval at the May Board meeting. Policies will be in place that will allow individual schools to request permission from the School Board for uniform programs to begin as early as the fall semester of 2006. In order to receive Board approval, schools must meet all regulations including the support of 70% of their families.
- ✓ The DARE and SRO programs continue to be effective. The most recent program intervention by DARE is the gang prevention curriculum that is now in place at all elementary schools. The program also has a component dealing with bullying.
- ✓ Surveillance cameras have been added at William Fleming with upgrades for Addison and Ruffner now completed. Cameras for some elementary schools are still pending.

Arena III: Student Programs

Various support programs for students have been implemented during the 2004–2005 school year.

- ✓ Conflict mediation programs have been implemented at all middle schools in the Roanoke City school system. These programs are being evaluated in terms of numbers of students participating and results from teachers and principals. Peer mediators will also be trained in all fourth and fifth grades in 2005–2006.
- ✓ The New Start program has been added to include special services for elementary students with serious behavioral problems not currently addressed in the regular classroom. Two classes were established in 2004–2005.
- ✓ Adolescent Uplift, Beyond Anger Management counseling, and New Beginnings continue to provide additional services for specific groups of students.
- ✓ Character Education and good citizenship programs continue in all schools through various programs and activities.

Arena IV: Staffing

Staffing has been added to focus on safety, security, and prevention.

- ✓ Four additional guidance counselors have been added at the middle school level so each middle school will have two guidance counselors for 2005–2006 paid by the local budget.
- ✓ A Discipline Coordinator for Transportation has been added to serve as a liaison with parents, school staff and students regarding transportation issues.
- ✓ All security officers in Roanoke City Schools will be trained and will receive certification as school security officers prior to the 2005–2006 school year.
- ✓ Roanoke City school staff and the Police Department continue to conduct drug dog searches at each middle and high school twice a year (minimum). When schools suspect drug activity, additional searches are requested.

Arena V: Communication and Collaboration Throughout the Community

Added staff has allowed Roanoke City Schools to focus on safety, security and prevention.

- ✓ Both high schools have increased supervision in hallways, cafeterias, common areas and locker rooms because of the seven-period day now in place.
- ✓ Parents, school resource officers and administrators serve on the Discipline Data Review Team to better understand and assist in reporting discipline data for the school district.
- ✓ The School Board Safety Advisory Committee continues to promote the involvement of parents, school and community leaders regarding discipline and safety issues.
- ✓ The School Board Safety Advisory Committee appointed a sub-committee that developed the dress code policies and procedures presented to the School Board at the April Board meeting.

Evaluations of the various programs continue with both hard and soft data presented to the School Board in quarterly reports. For example, logs are maintained on the numbers of students participating in Conflict Mediation and Beyond Anger Management, with teachers and staff reaction.

It was noted that Roanoke City Schools is spending approximately \$1,555,023.00 for 2004–2005 on the various programs and activities above described; and the third quarterly discipline report in 2004–2005 compared to the third quarterly report in 2003–2004 showed a decrease of 34 per cent in the number of discipline incidents.

Dr. Trinkle advised that a committee was formed to study the issue of school uniforms, to benchmark actions of other localities, and to review the City's policy; the City has no standardized school dress code, and every school has a different dress code; staff reviewed all dress codes and prepared a consistent dress code for each level of education which provides the opportunity for each individual school to add to or to change its dress code. He stated that it is believed that providing the option for a school uniform is

warranted, although it is not the desire of the School Board to require a system-wide policy; and at an upcoming meeting, the School Board will consider the second reading on an action that will allow individual schools to opt for a school uniform policy within certain parameters that the school must identify as a reason for initiating the policy, and 70 per cent of the school's parents must vote for and approve implementation of the uniforms.

Dr. Talbutt advised that a requirement of the school uniform policy is that each school will provide an opportunity for funding of uniforms for those families who cannot afford to purchase the clothing; participating schools will be required to submit their request in April of the prior school year, and once enacted, a school uniform program must be in place for at least three years in order to provide an opportunity to study the impact of uniforms on student discipline and achievement. She explained that alternative schools are exempt from the requirement because the Noel C. Taylor Learning Academy currently has a uniform policy.

Council Member Lea referred to the Lynchburg School system where uniforms are required at certain middle and elementary schools and the School system is considering initiation of the program in all middle schools next year. He inquired if the City of Lynchburg was consulted as a part of Roanoke's study; whereupon, Dr. Trinkle advised that the committee looked at the Lynchburg school system, but primarily focused on the City of Norfolk and two other school divisions.

Mr. Thompson advised that Roanoke City Public Schools has the largest magnet program of any school system in the state; when looking at the various communities they are indicatively singular to themselves, therefore, the approach that has been taken by the School Board to set standards and guidelines for each community to identify whether or not they wish to go in the direction of school uniforms. He stated that if the community is educated about what uniforms have done in other localities, they can make an informed and not a reactionary decision when they see the same research that the committee based its decisions on. He added that the concept involves collective thinking, Roanoke's schools are about a group of people with a collective agenda, and the process outlined by the School Board is solid. He recommended that the school system help to guide the process in such a way that the uniform policy is standardized for each community; and he would propose to further explore the issue in order to minimize any constraints that might be placed on the community as it moves forward.

The Mayor expressed appreciation to the School Board for creating the option for a school uniform policy. He advised that it is hoped that some schools will take advantage of the option to participate because the community is interested in seeing if, over the three year period, a school uniform policy does, in fact, enhance discipline, test scores, and the learning environment, etc.

Meeting the Needs of Blue Ridge Technical Academy (BRTA) Students:

The Chair advised that a study group consisting of students, parents, School Board members, the Superintendent of Schools and a representative from the business community will meet to determine if there are feasible ways to maintain the program and provide a recommendation to the School Board by May 19, 2005.

She noted that in the interim, a transition plan has been developed for students, parents, and staff that will meet the needs of students during the upcoming school year.

In response to a question by Council Member Wishneff, the Acting Superintendent of Schools advised that the School Board will seek input from committee members to determine if the program can be left intact or moved to another location. She stated that although the program has not failed, there are certain issues in terms of accountability that are of concern to the Superintendent and executive staff.

Mr. Thompson advised that the BRTA is in its second year of warning; the school has not met accreditation standards, overall reading level for students is below grade level, other data in terms of curriculum offerings cause concern, and the alignment of certain internal programs within the system have raised questions, both personally and professionally. He explained that when looking at the population of students, staffing issues can be expensive and radical in terms of providing adequate staff.

Council Member Wishneff advised that those students who have not done well in the traditional school setting have improved their performance at Blue Ridge Technical Academy. He expressed disappointment that the program may be terminated without any kind of transition and that parents were allowed to read about proposed changes in the newspaper.

Chair Stockburger advised that the matter has become an emotional issue and the School Board is striving to look at the issue quantitatively; those students who appear to the parents to be performing well at Blue Ridge are those students who are happy at school, but may not be high performers, and when considering the current amount of dollars expended on the program, students should be passing at 100 per cent.

School Accreditation:

The Chair advised that the Virginia Department of Education's implementation of the Standards of Quality has been supportive and ongoing through the use of visiting Academic Review Teams that provide technical assistance to help schools develop Three-Year School Improvement Plans designed to achieve full accreditation; Roanoke City Public Schools now has 15 schools warned in one or more areas and have received assistance in developing School Improvement Plans; eight of the 15 schools receive Title 1 funds and must also meet the additional requirements of Adequate Yearly Progress (AYP) under the Federal No Child Left Behind Act; six of the 15 schools are rated as Tier 3 which means that they made AYP and/or were within 14 points of passing; and these schools revised their current plans and will not require a follow-up visit by the Academic Review Team.

She explained that seven of the other nine schools received a full Academic Review, which requires a Three-Year Improvement Plan and a follow-up visit from the Academic Review Team; two of the nine Tier 1 schools are participating in the Governor's Turnaround Academy; and principals of these schools are being trained to become Turnaround Specialists, they are working with their staffs and they are not required to work with an Academic Review Team.

Chair Stockburger reported that the Standards of Quality regulations state that in the year 2005-2006 and beyond, a school will be Accredited with Warning in a specific area or areas for no more than three consecutive years if the school had previously been fully accredited in that area or areas; the school would have three years to implement a State approved improvement plan; and the Roanoke City School System will not know until after the May 2005 SOL tests are completed how many of its schools may qualify for this rating.

She added that based on a school's performance ending in 2006 and beyond, a school shall be rated *Accreditation Denied* if it fails to meet the SOL test benchmarks for Full Accreditation – except for schools rated in Warning as previously noted; the Standards of Quality require that if one-third or more of the schools are denied accreditation, the local school board shall evaluate the superintendent and a copy of the evaluation will be sent to the State Board of Education; and schools that have never been fully accredited by the end of 2006 may apply to the State to be rated *Near Accreditation/A School in Improvement* if the following criteria apply:

1. Meet the required 75 per cent pass rate in English for Grades 3 and 5.
2. Sixty per cent of all students tested must pass the other three core areas.
3. In each area not fully accredited, the pass rate must have increased by at least 25 per cent when compared to the 1999 test scores.

The Chair explained that a school rated under these conditions must show improvement each year and be fully accredited by 2009; although all of the schools have improved by more than 25 per cent in mathematics, science, and history, it is unlikely that any of the City's schools not yet accredited would meet the other two criteria by June 2006; and when schools are denied accreditation, the Superintendent may take any number of actions that may include, but are not limited to:

1. Appoint a new principal
2. Replace or reassign teachers
3. Modify the curriculum or introduce a new program
4. Request further technical assistance from the state
5. Honor requests for student transfers (required under NCLB for Title 1 Schools)
6. Provide supplemental tutorial services (required under NCLB for Title 1 Schools)
7. Expand after-school instructional programs
8. Provide professional development opportunities.

The Acting Superintendent advised that accreditation teams from the State have been instrumental in coming to Roanoke and working with the school system in a non-threatening way in order to offer constructive criticism.

Mr. Thompson advised that the State utilizes standard procedures and Standards of Quality which include eight areas and the City of Roanoke implements those areas in every school. He stated that the first step is to begin to set up systems where schools become aware of the eight areas and begin to implement them in a consistent manner through community input and individual leadership. He stated that leadership will be required and the capacity of individuals to do those things will be weighted and measured for accountability; and in order to provide a sound foundation, additional staff may be required.

Chair Stockburger presented a brochure entitled, Roanoke City Public Schools, *Discovering The Wealth In Every Student*.

Lessons Learned from the Roanoke Academy (RAMS) Project:

The Chair advised that the School Board has established an approach to construction by utilizing the project architectural firm for contract administration and a Roanoke City Public School construction supervisor to monitor progress at the job site; this approach has allowed the School Board to successfully complete 16 school renovation projects since 1989; this approach was also utilized for building the new Roanoke Academy for Mathematics and Science; many project delays associated with Roanoke Academy resulted from staff changes within the general contractor's organization and were beyond the control of the School Board; every legal protocol has been followed to move the project toward completion; and the City's Building Commissioner and staff, the Assistant City Attorney, central administration staff, the Superintendent and the School Board have worked together to resolve project issues and to ensure that the facility is safe and inviting for students.

She added that contract delays with regard to Roanoke Academy and the success of the construction management approach which has been used to construct the new Patrick Henry High School are justifications to consider formal "Clerk of the Works" arrangements for new construction projects and extensive renovation projects; and utilization of this approach will be considered as planning for the new William Fleming High School begins.

Progress report on Combining City/School Administrative Functions:

The purchasing, accounts payable and technology departments of both the City and the School Board are working together to implement a new financial software package; for the first time, the School Board and the City will utilize the same purchasing software and share a consolidated vendor database; the project has been ongoing since July 2004 and the system will go live on July 5, 2005; meetings have been held with the School's Maintenance Department and the City's Parks and Recreation Department to address playground safety and discuss playground maintenance; additionally, quarterly meetings are held with staff from both organizations to coordinate shared facilities under the Joint Use Agreement; meetings are productive in identifying ways to assist each other and use resources wisely; the District recently published a Request for Proposal (RFP) to establish a district-wide copier contract, which the City can utilize once the contract is awarded; the district-wide office supply contract is under negotiation for renewal; and areas identified for future consolidation/partnering include employee uniforms, cell phones, vehicles, towing services, janitorial supplies and printing paper.

Ms. Cregger advised that for the budget year commencing July 1, the School Board approved a survey of the pay scale for classified employees and will work with the City to review salaries of all classified employees to ensure that job descriptions are competitive with other school districts. She stated that the study will also include the City and the Schools pay system in order to address the issue of employees moving back and forth between the City and the School system.

On July 5, she advised that the City and the Schools will implement a joint financial system; for the first time, the schools will share a data base of vendors under the procurement system with the City; any time the School system advertises for vehicles, it consults with the City's Fleet Management Department to determine if the City has equipment needs in order to take advantage of combined buying power; other areas of joint cooperation include grant writing/grant opportunities; and the Human Resources Department is currently reviewing the City's postings, tracking and online job applications in an effort to streamline school procedures.

Council Member Wishneff inquired as to the feasibility of appointing a committee consisting of two Members of Council, two Members of the School Board and City and School administrative staffs to review consolidation of

services; whereupon, the Mayor advised that the matter could be discussed at future monthly meetings of the Mayor, School Board Chair, City Manager and Superintendent of Schools. He referred to a list of other City/Schools functions that have previously been suggested for review following arrival of the new Superintendent of Schools. Now that the new Superintendent has been appointed, he suggested that the issues be revisited and that a report be submitted to the Council and to the School Board with regard to a proposed plan of action.

Council Member Wishneff suggested that the question of Schools administrative office space be added to the list for consideration.

The Mayor encouraged the Members of Council and the School Board to submit additional ideas for consolidation of City and School programs.

Vice-Mayor Fitzpatrick advised that both respective bodies should move in the direction of leaders in their own right, and leadership requires that the Council and the School Board work together and select those issues that should be addressed. He stated that the City Manager and the Superintendent of Schools could begin to work on many of the issues and provide leadership on how to move forward.

The City Manager advised that it is important for the Council and the School Board to create policy direction for their respective administrative staffs in order to move in the various directions. She stated that it has been clear over the past 12 months that there is support for the two administrative staffs to work together to improve efficiencies and effectiveness within the two systems which ultimately may free up dollars that could be allocated to education and to other City services. She called attention to employees within the City and the School system who move back and forth between the two systems because both systems have the same retirement plan, therefore, she encouraged the School Board at an early point to weigh in on the issue because that, in addition to a salary comparison, could have a bearing on employees who move back and forth between the two organizations.

Chair Stockburger advised that it would be helpful when reviewing overlapping or redundancy of classified positions to have a quantitative figure of those persons moving from the City to the School system and vice versa. She asked if either system has conducted a task analysis of what employees are actually doing that would provide hard data on where there is redundancy in the two systems.

The Mayor advised that the topic could be addressed in the monthly meetings of the Mayor/Chair and City Manager/Superintendent.

Clarification on the Meals Tax:

The Mayor advised that the City's recommended 2005–2006 Fiscal Year Budget contains a recommendation to increase the meals tax by one per cent as a way to prepare for meeting the debt service on a number of City projects, the largest of which at this point is the William Fleming High School renovations.

Council/School Board Retreat:

Chair Stockburger advised that the School Board requests a four to six hour productive retreat with the Members of Council.

The Mayor suggested that the matter be discussed as a part of the future monthly meetings of the Mayor/Chair and City Manager/Superintendent and over the next 30 to 60 days, he asked that Council and the School Board give consideration to specific agenda items for discussion; and the new Superintendent of Schools could provide a State of the Schools report outlining proposed future accomplishments.

Council Member Wishneff suggested a joint discussion on neighborhood schools, housing and economic development.

Council Member Cutler suggested that representatives from various components of the community such as the Central Council Parent Teacher Association and the Roanoke Valley Chamber of Commerce be included in the retreat to provide input on various issues.

Chair Stockburger spoke to the advantage of engaging the services of an experienced facilitator for the retreat.

Council Member Dowe suggested that the Council/School Board "buddy system" be reviewed.

Fiscal year 2005–2006 School Budget:

The Mayor advised that Council was previously briefed on the recommended 2005–2006 School budget.

The Acting Superintendent advised that the School administration will submit recommendations to the School Board for the expenditure of approximately \$600,000.00 in additional funds that were allocated to the school system. On behalf of the School Board, she expressed appreciation for the additional funds.

The City Manager advised that it would be appropriate over the next 12 months to review the School/City funding formula and how the funding formula should be developed in the future.

Additional Comments by Council/School Board:

Inasmuch as the four year term of office of Robert J. Sparrow will expire on June 30, 2005, the Mayor expressed appreciation to Mr. Sparrow for his service on the School Board.

Council Member Dowe advised that as long as there is a critical mass of people who have a passion for children, team work will continue to be maintained and increased. He stated that he is excited about the transition to the new Superintendent of Schools who will bring a skill set to the City and to the School system that will be expedient and timely and he looks forward to a fruitful working relationship between Council and the School Board.

Chair Stockburger expressed appreciation for the positive working relationship that exists between the Council and the School Board which is not taken for granted by the School Board.

At 10:45 a.m., Chair Stockburger declared the meeting of the School Board adjourned.

ITEMS LISTED ON THE 2:00 P.M., COUNCIL DOCKET REQUIRING DISCUSSION/CLARIFICATION, AND ADDITIONS/DELETIONS TO THE 2:00 P.M. AGENDA: NONE.

TOPICS FOR DISCUSSION BY THE MAYOR AND MEMBERS OF COUNCIL:

The Mayor called attention to the unveiling of the new information kiosk on the second floor of the Noel C. Taylor Municipal Building on Tuesday, May 3, 2005, at 1:30 p.m., and advised that a press conference will be held at the same time to announce formation and membership of the new Multi-Cultural Commission.

COMMITTEES-CITY COUNCIL: A communication from Mayor C. Nelson Harris requesting that Council convene in a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, pursuant to Section 2.2-3711 (A)(1), Code of Virginia (1950), as amended, was before the body.

Vice-Mayor Fitzpatrick moved that Council concur in the request of the Mayor to convene in Closed Meeting as above described. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Fitzpatrick, Lea, McDaniel, and Mayor Harris-----7.

NAYS: None-----0.

CITY COUNCIL: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss acquisition of real property for public purposes, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Section 2.2-3711 (A)(3), Code of Virginia (1950), as amended, was before the body.

Vice-Mayor Fitzpatrick moved that Council concur in the request of the City Manager to convene in Closed Meeting as above described. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Fitzpatrick, Lea, McDaniel, and Mayor Harris-----7.

NAYS: None-----0.

CITY COUNCIL: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss acquisition of real property for public purposes, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Section 2.2-3711 (A)(3), Code of Virginia (1950), as amended, was before the body.

Vice-Mayor Fitzpatrick moved that Council concur in the request of the City Manager to convene in Closed Meeting as above described. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Fitzpatrick, Lea, McDaniel, and Mayor Harris-----7.

NAYS: None-----0.

At 10:55 a.m., the Mayor declared the Council meeting in recess to be reconvened immediately following a meeting of the Audit Committee at 11:00 a.m.

The Council convened in Closed Session at 12:00 noon in the Council's Conference Room, Room 451, Noel C. Taylor Municipal Building, with all Members of the Council in attendance.

The Council meeting reconvened at 1:30 p.m., in the Council's Conference Room, Room 451, Noel C. Taylor Municipal Building, with all Members of the Council in attendance, Mayor Harris presiding.

COUNCIL: With respect to the Closed Session just concluded, Council Member Cutler moved that each Member of City Council certify to the best of his or her knowledge that: (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act; and (2) only such public business matters as were identified in any motion by which any Closed Meeting was convened were heard, discussed or considered by City Council. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----7.

NAYS: None-----0.

COMMITTEES-YOUTH: The Mayor advised that the three year terms of office of Abbi Fitzpatrick, Sherman P. Lea, Jr., and James H. Smith, as members of the Youth Services Citizen Board will expire on May 31, 2005, and there is a vacancy on the Board created by the resignation of Lylburn D. Moore, Jr.; whereupon, he called for nominations to fill the vacancies.

Council Member Dowe placed in nomination the names of Abbi Fitzpatrick, Sherman P. Lea, Jr., James H. Smith and Antwan Lawton.

There being no further nominations, Ms. Fitzpatrick, Mr. Lea and Mr. Smith were reappointed and Mr. Lawton was appointed as members of the Youth Services Citizen Board for terms ending May 31, 2008, by the following vote:

FOR MS. FITZPATRICK AND MESSRS LEA, SMITH AND LAWTON: Council Members Wishneff, Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----7.

COMMITTEES-COMMUNITY PLANNING: The Mayor advised that the three year term of office of M. Rupert Cutler as a member of the Roanoke Valley/Allegheny Regional Commission will expire June 30, 2005, and there is a vacancy on the Commission created by the resignation of Jennifer L. Pfister term ending June 30, 2006; whereupon, he called for nominations to fill the vacancies.

Council Member Dowe placed in nomination the names of M. Rupert Cutler and Robert H. Logan, III.

There being no further nominations, Mr. Cutler was reappointed for a term ending June 30, 2008, and Mr. Logan was appointed to fill the unexpired term of Jennifer L. Pfister, resigned, ending June 30, 2006, as members of the Roanoke Valley/Allegheny Regional Commission, by the following vote:

FOR MESSRS CUTLER AND LOGAN: Council Members Wishneff, Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----7.

COMMITTEES-FIFTH PLANNING DISTRICT COMMISSION: The Mayor advised that the three year terms of office of M. Rupert Cutler and Sherman A. Holland as members of the Roanoke Valley Area Metropolitan Planning Organization will expire on June 30, 2005, and called for nominations to fill the vacancies.

Council Member Dowe placed in nomination the names of M. Rupert Cutler and Beverly T. Fitzpatrick, Jr.

There being no further nominations, Messrs. Cutler and Holland were reappointed as members of the Roanoke Valley Area Metropolitan Planning Organization for terms ending June 30, 2008, by the following vote:

FOR MESSRS CUTLER AND HOLLAND: Council Members Wishneff, Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----7.

NEIGHBORHOOD ORGANIZATIONS: Robert A. Clement, Jr., Neighborhood Coordinator, presented a briefing on neighborhood activities which are planned for the month of May, 2005. He presented a pamphlet describing the various neighborhood activities, and, on behalf of the neighborhood organizations, he extended an invitation to the Mayor and Members of Council to attend neighborhood events which range from a block party in Greater Raleigh Court, to a 24 block yard sale in Airlee Court, to a workshop at the City's Main Library on restoration of historic homes.

At 1:40 p.m., the Mayor declared the Council meeting in recess until 2:00 p.m., in the Council Chamber, 215 Church Avenue, S. W., City of Roanoke, Virginia.

The regular meeting of the Roanoke City Council reconvened at 2:00 p.m., on Monday, May 2, 2005, in the Roanoke City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Mayor C. Nelson Harris presiding.

PRESENT: Council Members Brian J. Wishneff, M. Rupert Cutler, Alfred T. Dowe, Jr., Beverly T. Fitzpatrick, Jr.(arrived late), Sherman P. Lea, Brenda L. McDaniel, and Mayor C. Nelson Harris -----7.

ABSENT: None-----0.

The Mayor declared the existence of a quorum.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

The invocation was delivered by Council Member Alfred T. Dowe, Jr.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Harris.

PRESENTATIONS AND ACKNOWLEDGEMENTS:

ACTS OF ACKNOWLEDGMENT-DECEASED PERSONS: Council Member Dowe offered the following resolution expressing sympathy upon the passing of Julian F. Hirst, a former City Manager of Roanoke, on Sunday, February 27, 2005:

(#37029-050205) A RESOLUTION memorializing the late Julian F. Hirst of Norfolk, Virginia, a former City Manager of Roanoke.

(For full text of Resolution, see Resolution Book No. 69, Page 360.)

Council Member Dowe moved the adoption of Resolution No. 37029-050205. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

The Mayor presented a ceremonial copy of the above referenced measure to Ms. Jane Hirst Green, daughter of Mr. Hirst.

The Mayor called for a moment of silence in memory of Mr. Hirst.

ACTS OF ACKNOWLEDGMENT: Council Member Lea offered the following resolution paying tribute to Dr. Belinda Childress Anderson, the first female president of Virginia Union University:

(#37030-050205) A RESOLUTION paying tribute to Dr. Belinda Childress Anderson, the first female president of Virginia Union University, one of the nation's oldest historically black colleges.

(For full text of Resolution, see Resolution Book No. 69, Page 361.)

Council Member Lea moved the adoption of Resolution No. 37030-050205. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

The Mayor advised that a ceremonial copy of the above referenced resolution will be forwarded to Dr. Anderson.

PROCLAMATIONS: The Mayor presented a proclamation to Erin Hofberg, Program Manager, Ride Solutions, declaring Friday, May 6, 2005, as Clean Commute Day.

PROCLAMATIONS--TOURISM: The Mayor presented a proclamation to David Kjolhede, Executive Director, Roanoke Valley Convention and Visitor's Bureau, declaring the week of May 7 - 15, 2005, as National Tourism Week.

ARMORY/STADIUM: The Mayor advised that at 4:00 p.m., the Council would receive a report of the Stadium Study Committee transmitting the Committee's recommendations with regard to Victory Stadium.

CONSENT AGENDA

The Mayor advised that all matters listed under the Consent Agenda were considered to be routine by the Members of Council and would be enacted by one motion in the form, or forms, listed on the Consent Agenda, and if discussion was desired, the item would be removed from the Consent Agenda and considered separately.

MINUTES: Minutes of the regular meetings of Council held on Monday, March 7, 2005, and Monday, March 21, 2005, were before the body.

(For full text, see Minutes on file in the City Clerk's Office.)

Council Member Cutler moved that the reading of the minutes be dispensed with and that the minutes be approved as recorded. The motion was seconded by Council Member Lea and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

AUDIT COMMITTEE: Minutes of a meeting of the Audit Committee which was held on Monday, April 4, 2005, were before the body.

The following internal audits were discussed: Clerk of the Circuit Court, Commissioner of the Revenue, and Police Department Cash Funds.

Council Member Cutler moved that the reading of the minutes be dispensed with and that the Minutes be approved as recorded. The motion was seconded by Council Member Lea and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

OATHS OF OFFICE-COMMITTEES-ROANOKE REGIONAL AIRPORT COMMISSION: A report of qualification of J. Granger Macfarlane as a member of the Roanoke Regional Airport Commission, for a term ending March 9, 2009, was before Council.

Council Member Cutler moved that the report of qualification be received and filed. The motion was seconded by Council Member Lea and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

REGULAR AGENDA

PUBLIC HEARINGS: NONE.

PETITIONS AND COMMUNICATIONS: NONE.

REPORTS OF OFFICERS:

CITY MANAGER:

BRIEFINGS: See pages 41 – 77.

ITEMS RECOMMENDED FOR ACTION:

BUDGET–GRANTS–COMMUNITY PLANNING: The City Manager submitted a communication advising that in order to receive Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and Emergency Shelter Grant (ESG) funding, the City of Roanoke must submit a five-year Consolidated Plan and Annual Updates to the U. S. Department of Housing and Urban Development (HUD); and substantial amendments to the plan must undergo a 30-day public review and must be approved by City Council.

It was further advised that under the current plan, \$700,000.00 in CDBG and HOME funds are designated for the Northwest Neighborhood Environmental Organization (NNEO) "Fifth Street Gateway Project" and \$200,000.00 for "Independent Housing for Special Needs;" NNEO has requested that the City's multi-year \$2.35 million commitment, which includes the \$700,000.00, be redesignated for the Roanoke Redevelopment and Housing Authority (RRHA), which will manage the project; such action entails a substantial amendment to the plan; and authorization for a contract with the Housing Authority to implement the redesignated use will be submitted to Council under a separate report.

It was explained that the \$200,000.00 for special needs housing was established in the 2003–2004 Annual Update to the present plan to assist with development of a group home facility; a specific project to implement the funds has not been identified through two consecutive budget cycles and its continued undesignated status adversely affects expenditure timeliness compliance; and redesignating funds for other uses also constitutes a substantial amendment.

With respect to NNEO funding, it was advised that there is mutual agreement among NNEO, the Housing Authority and the City regarding the need to redesignate the funds; and the City has supported the Housing Authority's application for tax credits to assist with financing of the project, which is now to be known as "Park Street Square."

With regard to special needs housing funding the City Manager further advised while the redesignation will assist in managing compliance, funds will be used for housing activities in the 2005–2006 period, including those serving special needs; the City remains committed to its support of such housing;

included in the new plan are objectives to assist approximately 115 units of special needs housing, with as much as \$1.3 million in CDBG and HOME funds to be devoted to such purposes over the coming five years; and group home facilities or other approaches can be considered.

It was explained that the required 30-day public review period for the amendments was advertised on April 2, 2005, with comments due by the close of business on May 2, 2005; notice of amendments was also provided to members of the Roanoke Neighborhood Advocates; and no objections to the amendments have been received to date.

The City Manager recommended that Council approve the above described amendments to the Consolidated Plan, such amendments to take effect upon, and provided that no compelling objections have been received by conclusion of the public review period; and that Council transfer \$700,000.00 in CDBG and HOME funds from NNEO Fifth Street Gateway accounts to accounts for the RRHA Park Street Square Project, as follows.

\$200,000.00 from NNEO 035-G04-0420-5309 to RRHA 035-G04-0420-5428
\$250,000.00 from NNEO 035-G05-0537-5309 to RRHA 035-G05-0520-5428
\$241,388.00 from NNEO 035-090-5312-5309 to RRHA 035-090-5312-5428
\$ 8,612.00 from NNEO 035-090-5325-5309 to RRHA 035-090-5325-5428

Council Member Dowe offered the following budget ordinance:

(#37031-050205) AN ORDINANCE to transfer CDBG and HOME funds from the Fifth Street Gateway project to the Park Street Square project, amending and reordaining certain sections of the 2004-2005 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 69, Page 363.)

Council Member Dowe moved the adoption of Ordinance No. 37031-050205. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

Council Member Cutler offered the following resolution:

(#37032-050205) A RESOLUTION authorizing the appropriate City officials to execute an amendment to the Consolidated Plan for FY 2000-2005, providing for the redesignation of Community Development Block Grant and HOME Investment Partnerships funds to the Roanoke Redevelopment and Housing Authority, upon certain terms and conditions.

(For full text of Resolution, see Resolution Book No. 69, Page 363.)

Council Member Cutler moved the adoption of Resolution No. 37032-050205. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

GRANTS-HOUSING/AUTHORITY-COMMUNITY PLANNING: The City Manager submitted a communication advising that on February 17, 2005, the City received notice from the Northwest Neighborhood Environmental Organization (NNEO) that due to various circumstances it could not continue or complete the "Fifth Street Gateway" project; NNEO's notice also requested that \$2.35 million in CDBG and HOME funds committed by the City to the project over several fiscal years be reassigned to the Roanoke Redevelopment and Housing Authority (RRHA) on February 23, 2005, the City received a letter from the RRHA stating that NNEO had requested that the RRHA assume the position of General Partner and Developer for the project; the RRHA indicated a willingness to take on the role and advised that the Housing Authority anticipated filing a tax credit application for the project, which would continue under the name of "Park Street Square," and requested reallocation of CDBG and HOME funds; and the Housing Authority has since filed the application and is waiting for results of the selection process.

It was further advised that of the \$2.35 million in CDBG and HOME funds committed to the project, \$700,000.00 has been appropriated and is the limit of funds to be made available until the next installment, on or about July 1, 2006; however, of the \$700,000.00, the City has stipulated that no more than \$125,000.00 may be accessed by the Housing Authority prior to award of tax credits; a contract authorized by Council to be entered into between the City and the RRHA is required to provide access to the \$125,000.00 and, upon award of tax credits, the balance of the \$700,000.00; and as part of the tax credit financial structuring, the RRHA is expected to receive the funds in the form of minimally-interest-bearing loans, which the Housing Authority will use through its nonprofit arm, the Roanoke Valley Housing Corporation.

It was noted that the Agreement contains a mutual indemnification clause in which both parties agree to indemnify the other for damages and expenses incurred as a result of the other party's conduct; and the effect of the clause is that the City would be waiving its defense of sovereign immunity in certain circumstances.

The City Manager recommended that she be authorized to execute the 2004-2005 CDBG/HOME Agreement with the RRHA, to be approved as to form by the City Attorney.

Council Member Cutler offered the following resolution:

(#37033-050205) A RESOLUTION authorizing the appropriate City officials to execute the 2004-2005 Community Development Block Grant and Home Investment Partnership Program Agreement with the Roanoke Redevelopment and Housing Authority to provide access by the Roanoke Redevelopment and Housing Authority to funds for the "Park Street Square" project, upon certain terms and conditions.

(For full text of Resolution, see Resolution Book No. 69, Page 364.)

Council Member Cutler moved the adoption of Resolution No. 37033-050205. The motion was seconded by Council Member Dowe.

A communication from Carl D. Cooper, Chair, Roanoke Neighborhood Advocates (RNA), advising that on April 18, 2005, the RNA adopted the position that no development project should commence in the Gilmer neighborhood until a neighborhood plan is created that would be in the same format as other City neighborhood plans adopted by Council, was before the body.

It was noted that it is believed that the present Gilmer Neighborhood Plan, written by Hill Studios for the Northwest Neighborhood Environmental Organization, does not represent interests of residents; therefore, it is recommended that the Gilmer Neighborhood Plan be rewritten by City staff just as other neighborhood plans have been drafted by City staff; and it would be premature for any project to be approved without neighborhood involvement in the approval process.

In response to Mr. Cooper's letter, Council Member Lea inquired if all of the proper procedures have been followed by the City.

The City Manager advised that Mr. Cooper's letter would suggest that the Gilmer Neighborhood Plan that was prepared by Hill Studio and adopted by Council approximately two years ago, at the request of the Northwest Neighborhood Environmental Organization, was not a typical neighborhood

plan as developed by City staff; however, it is the City's collective opinion that had the Gilmer neighborhood had concerns regarding the plan, it would have been appropriate to signal those concerns two years ago prior to adoption of the Plan by Council. She stated that the Board of Directors of NNEO has officially requested that the Redevelopment and Housing Authority assume responsibility for the project; while some small elements of the project have changed, the bulk of the plan remains the same as originally prepared and adopted by NNEO; and the proposed contract makes available a total of \$700,000.00 contingent upon the RRHA receiving tax credits to initiate the originally approved NNEO Plan and provides \$125,000.00 in up front funds to prepare the tax credit application. The City Manager advised that the City has followed the required procedures.

There being no further discussion; Resolution No. 37033-050205 was adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

BUDGET-FDETC-GRANTS: The City Manager submitted a communication advising that the City of Roanoke is the grant recipient for Workforce Investment Act (WIA) funding, thus, City Council must appropriate funding for all grants and other monies received in order for the Western Virginia Workforce Development Board to administer WIA programs; and the Western Virginia Workforce Development Board administers the Federally funded Workforce Investment Act (WIA) for Area 3, which encompasses the Counties of Alleghany, Botetourt, Craig, Franklin and Roanoke, and the Cities of Covington, Roanoke, and Salem.

It was further advised WIA funding is intended to be used for four primary client populations:

- Dislocated workers who have been laid off from employment through no fault of their own;
- Economically disadvantaged individuals as determined by household income guidelines defined by the U. S. Department of Labor;
- Youth who are economically disadvantaged, or have other barriers to becoming successfully employed adults; and
- Businesses in need of employment and job training services.

It was further advised that the Western Virginia Workforce Development Board has received a Memorandum of Understanding (MOU) from the Virginia Employment Commission allocating \$2,500.00 for institutionalization of the Governor's Career Readiness Certificate.

The City Manager recommended that she be authorized to execute the required Memorandum of Understanding between the Virginia Employment Commission, the City of Roanoke, and the Western Virginia Workforce Development Board to accept funds; that she be further authorized to accept Western Virginia Workforce Development Board Workforce Investment Act funding of \$2,500.00 for Institutionalization of the Governor's Career Readiness Certificate; and establish a revenue and expenditure budget in accounts to be established by the Director of Finance in the Grant Fund.

Council Member Dowe offered the following budget ordinance:

(#37034-050205) AN ORDINANCE to appropriate funding from the Workforce Investment Act Grant for the Governor's Career Readiness Certificate, amending and reordaining certain sections of the 2004-2005 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 69, Page 365.)

Council Member Dowe moved the adoption of Ordinance No. 37034-050205. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

Council Member Dowe offered the following resolution:

(#37035-050205) A RESOLUTION accepting the Western Virginia Workforce Development Board Workforce Investment Act funding of \$2,500.00 in connection with the implementation of the Governor's Career Readiness Certification Program and authorizing the City Manager to execute the Memorandum of Understanding among the Virginia Employment Commission, City of Roanoke and Western Virginia Workforce Development Board required accepting the funding.

(For full text of Resolution, see Resolution Book No. 69, Page 365.)

Council Member Dowe moved the adoption of Resolution No. 37035-050205. The motion was seconded by Council Member McDaniel and adopted by the following vote:

CITY CLERK *04 DEC 01 AM 09:59

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

BUDGET-GRANTS-FDETC: The City Manager submitted a communication advising that the City of Roanoke is the grant recipient for Workforce Investment Act (WIA) funding, thus, City Council must appropriate funding for all grants and other monies received in order for the Western Virginia Workforce Development Board to administer WIA programs; the Western Virginia Workforce Development Board administers the Federally funded Workforce Investment Act (WIA) for Area 3, which encompasses the Counties of Alleghany, Botetourt, Craig, Franklin and Roanoke, and the Cities of Covington, Roanoke, and Salem; and WIA funding is intended to be used for four primary client populations:

- Dislocated workers who have been laid off from employment through no fault of their own;
- Economically disadvantaged individuals as determined by household income guidelines defined by the U. S. Department of Labor;
- Youth who are economically disadvantaged, or have other barriers to becoming successfully employed adults; and
- Businesses in need of employment and job training services.

It was further advised that the Western Virginia Workforce Development Board requested that the Virginia Employment Commission transfer allocation of \$100,000.00 of Program Year 2003 Dislocated Worker Funds to Program Year 2003 Adult Program Funds due to surplus funding in the Dislocated Worker Program, and the higher-than-anticipated level of need in the Adult Program; and the Western Virginia Workforce Development Board has received a Notice of Obligation (NOO) from the Virginia Employment Commission transferring \$100,000.00 from the Dislocated Worker Program to the Adult Program for Program Year 2003 (July 1, 2003 - June 30, 2005).

The City Manager recommended that Council accept the Western Virginia Workforce Development Board Workforce Investment Act funding transfer of \$100,000.00 for Program Year 2003; and adopt a budget ordinance transferring funds from Dislocated Worker Program, Account No. 035-633-2305-8057, to Adult Program, Account No. 035-633-2302-8057.

Council Member Dowe offered the following budget ordinance:

(#37036-050205) AN ORDINANCE to transfer Workforce Investment Act Grant funding from the Dislocated Worker Program to the Adult Program, amending and reordaining certain sections of the 2004-2005 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 69, Page 366.)

Council Member Dowe moved the adoption of Ordinance No. 37036-050205. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

PURCHASE/SALE OF PROPERTY-HOUSING/AUTHORITY: The City Manager submitted a communication advising that with the adoption of the City's Comprehensive Plan in 2001, certain strategic initiatives were identified to broaden the range of housing choices within the City of Roanoke, and to facilitate the development of new housing clusters through assemblage and redevelopment of underutilized or vacant land in strategic locations; one such location, the approximately 140 acre Countryside Golf Course, was included in a feasibility analysis initiated in mid-2002 to evaluate development potential; the study concluded that there was significant development potential for the property with a variety of development plans, housing alternatives, and a mix of possible land uses; and upon completion of the feasibility study, and beginning in early 2003, investigation of terms for acquisition of the property was initiated with The Fairways Group, LP, owners of the property.

It was further advised that an option agreement has been drafted providing the framework for the City's ultimate acquisition of the property, according to the following general terms:

- A non-refundable option fee of \$125,000.00 which will provide the City with a time period until October 28, 2005, to undertake related due diligence activities including environmental inspections, related site surveying, and other property evaluation activities; should the City proceed to acquire the property, the option amount will be credited to

the purchase price; it is anticipated that approximately \$10,000.00–\$15,000.00 would be sufficient to undertake the necessary due diligence activities during the option period; and

- A purchase price of \$4.1 million for the property, with closing of the sale to occur no later than November 30, 2005.

The City Manager recommended that she be authorized to execute the option agreement with The Fairways Group, LP, on behalf of the City of Roanoke, and that Council transfer \$125,000.00, for the option agreement and \$15,000.00 for related expenses from Capital Projects Fund Interest Earnings to an account to be established by the Director of Finance in the Capital Projects Fund.

Council Member Cutler offered the following budget ordinance:

(#37037–050205) AN ORDINANCE to appropriate funding for an option to acquire Countryside Golf Course, amending and reordaining certain sections of the 2004–2005 Capital Projects Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 69, Page 367.)

Council Member Cutler moved the adoption of Ordinance No. 37037–050205. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

Council Member Dowe offered the following ordinance:

(#37038–050205) AN ORDINANCE authorizing execution of an Option Agreement by which the City of Roanoke is granted an option by Fairways Group, LP, formerly U. S. Golf Properties, LP, to purchase certain property known as Tax Parcels Nos. 6471801 through and including 6471806, 6431501, 6431502, 6431613, 6431614, and 6472302, known as Countryside Golf Course; and dispensing with the second reading of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 69, Page 367.)

Council Member Dowe moved the adoption of Ordinance No. 37038-050205. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

DIRECTOR OF FINANCE:

AUDITS/FINANCIAL REPORTS: The Director of Finance submitted the Financial Report for the month of March 2005.

There being no questions or comments, without objection by Council, the Mayor advised that the Financial Report for the month of March 2005 would be received and filed.

REPORTS OF COMMITTEES: NONE.

UNFINISHED BUSINESS:

LEASES-ECONOMIC DEVELOPMENT: Council at its meeting on Monday, April 18, 2005, having tabled a resolution approving a five-year lease for 3,444.50 square feet of office space at 111 Franklin Road, S. W., Suite 200, to be used by the City's Office of Economic Development, the matter was before the body. The City Manager was instructed to negotiate for a three-year lease of the property.

Council Member Dowe moved that the matter be removed from the table. The motion was seconded by Council Member Cutler and adopted.

The City Manager submitted a communication advising that the original lease was for a five year period beginning May 25, 2000 through May 31, 2005, at a rental rate of \$16.75 per square foot, with a three per cent annual increase; Resolution No. 34717-032000 approved the lease dated March 20, 2000; a five year term at \$16.00 per rentable square foot, with a 1.55 per cent escalator was originally proposed; and funding for the lease is included in the Economic Development Department budget.

It was further advised that a three-year period, beginning June 1, 2005 through May 31, 2008 agreement includes a rate of \$16.75 per rentable square

foot, with an increase of 1.55 per cent each year thereafter; and annual rental, to be paid in monthly installments, shall be as follows:

June 1, 2005 - May 31, 2006	\$57,695.38	\$4,807.95 per month
June 1, 2006 - May 31, 2007	\$58,556.50	\$4,879.71 per month
June 1, 2007 - May 31, 2008	\$59,417.63	\$4,951.47 per month

It was noted that the amendment contains a provision whereby the City acknowledges that Coptly & Company acted as the broker for the agreement, and the City agrees to indemnify and hold harmless Crown Roanoke, LLC, from claims by any other broker or agent.

The City Manager recommended that she be authorized to execute a first amendment to the lease agreement with Crown Roanoke, LLC, a Virginia Limited Liability Company, for 111 Franklin Road, S. W., Suite 200, for a period of three years, at the above rental amounts, beginning on June 1, 2005 and ending on May 31, 2008, with all documents to be upon form approved by the City Attorney.

Council Member Dowe offered the following ordinance:

(#37039-050205) AN ORDINANCE authorizing the proper City officials to extend the lease agreement between the City and Crown Roanoke, LLC, for lease of office space within the Franklin Plaza Building, located at 111 Franklin Road, for the Department of Economic Development, for a period of three years, upon certain terms and conditions; and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 69, Page 368.)

Council Member Dowe moved the adoption of Ordinance No. 37039-050205. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

INTRODUCTION AND CONSIDERATION OF ORDINANCES AND RESOLUTIONS:

SCHOOLS: Council Member Dowe offered the following resolution appointing William H. Lindsey as a Trustee to the Roanoke City School Board:

(#37040-050205) A RESOLUTION appointing William H. Lindsey as School Board Trustee on the Roanoke City School Board for a term commencing July 1, 2005, and ending June 30, 2008.

(For full text of Resolution, see Resolution Book No. 69, Page 369.)

Council Member Dowe moved the adoption of Resolution No. 37040-050205. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

SCHOOLS: Council Member Dowe offered the following resolution appointing David B. Carson as a Trustee to the Roanoke City School Board:

(#37041-050205) A RESOLUTION appointing David B. Carson as a School Board Trustee on the Roanoke City School Board for a term commencing July 1, 2005, and ending June 30, 2008.

(For full text of Resolution, see Resolution Book No. 69, Page 370.)

Council Member Dowe moved the adoption of Resolution No. 37041-050205. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Lea, McDaniel, and Mayor Harris-----6.

NAYS: None-----0.

(Vice-Mayor Fitzpatrick was not present when the vote was recorded.)

MOTIONS AND MISCELLANEOUS BUSINESS:

INQUIRIES AND/OR COMMENTS BY THE MAYOR AND MEMBERS OF COUNCIL:

PURCHASE/SALE OF PROPERTY-LANDMARKS/HISTORIC PRESERVATION-HOUSING/AUTHORITY: Council Member Cutler advised that the livery stable located adjacent to Roanoke City Mills off South Jefferson Street, which is believed to be more than 100 years old and has been used for storage by Virginia Scrap Iron and Metal, is now in liquidation; the Roanoke Redevelopment and Housing Authority has initiated the process to acquire the building, and it is hoped that a new use can be found for the livery stable in lieu of razing the structure.

ACTS OF ACKNOWLEDGMENT-DECEASED PERSONS: Council Member Dowe advised of the death of long time educator, Ms. Nina Medley, and asked that the Medley family be remembered in prayer. He extended greetings to all mothers for a Happy Mother's Day on Sunday, May 7, 2005, and asked that all hearts be filled with kindness at this special time of the year.

HEARING OF CITIZENS UPON PUBLIC MATTERS: The Mayor advised that Council sets this time as a priority for citizens to be heard and matters requiring referral to the City Manager will be referred immediately for response, recommendation or report to Council.

POLICE DEPARTMENT-TRAFFIC-FIRE DEPARTMENT-STREETS AND ALLEYS: Mr. William J. Bryant, Jr., 124 Fleming Avenue, N. E., spoke with regard to:

- The condition of Williamson Road, i.e.: potholes and metal covers in the middle of the road that could pose a safety hazard;
- A safety hazard with regard to traffic islands/left turn lanes on Williamson Road where longer vehicles protrude into the left lane of oncoming traffic; and
- The need for repaving portions of Franklin Road, S. W.

He commended employees of the City's Fire/EMS and Police Departments and asked that they receive hazardous duty pay in addition to their regular wages.

CENSUS-CITY EMPLOYEES-HOUSING/AUTHORITY-POLICE DEPARTMENT-TAXES: Mr. Robert Gravely, 727 29th Street, N. W., spoke with regard to the need for affordable housing in the City of Roanoke; a concern that the wages of the average City employee are not sufficient to purchase a house; loss of the City's population; a large deficit in the City's budget; use of taxpayers' money as incentives to attract large businesses to the City; loss of City revenue; and the need for more accountability to the citizens of Roanoke with regard to how tax dollars are spent.

CITY MANAGER COMMENTS:

POLICE DEPARTMENT-CITY EMPLOYEES: The City Manager called attention to a recent article in *The Roanoke Times* regarding the friendship that developed between a Roanoke City Public Safety employee and two fellow soldiers serving in Iraq which led to their relocation to the Roanoke Valley and their graduation in the near future from Roanoke's Police Academy.

She advised that 31 City employees serve as active reservists, 13 of which are currently stationed abroad, and two employees have returned to the Roanoke Valley; and as a result of efforts by the City's Human Resources Department to prepare these men and women to leave and return to the City's employ, the City of Roanoke was awarded one of seven Five-Star Certificates from the Employers Support of the Guard and Reserve Program.

The City Manager expressed appreciation to the community and to City employees for their participation in Citizens Appreciation Day which was held on Saturday, April 30, 2005, at Valley View Mall.

At 3:05 p.m., the Mayor declared the meeting in recess.

The Council reconvened at 3:10 p.m., in the Council's Conference Room, Room 451, with Mayor Harris presiding and all Members of the Council in attendance, except Vice-Mayor Fitzpatrick.

ARMORY/STADIUM: The City Manager advised that Council at its meeting on Monday, April 18, 2005, requested that staff develop options regarding the limited use of Victory Stadium for high school football for the 2005 season. She called attention to three options that were prepared for the Council's consideration, which include cost estimates for various seating capacities. She stated that as the various options were considered, it was taken into consideration that Sutton Kennerly and Associates, Structural Engineer, has advised that both the east and west stands of Victory Stadium are in poor condition and will require attention to address several safety issues before the stands can be open to the public for limited use; the consultant has indicated that the existing stands can be used provided repairs are made to the concrete steps and risers to eliminate tripping and falling hazards; the consultant further advises that it would be necessary to either remove the brick masonry wall or provide fencing to prevent public access to the walls and the potential fall zones; and the consultant recommends that the press box not be used until certain brick masonry is removed and replaced with newly and properly reinforced brick. She stated that the options which will be presented to the Council have been prepared taking into consideration appropriate Building Code issues, as well as safety issues related to public assembly and public convenience such as sanitary facilities. She noted that as discussed with the School Board earlier in the day, temporary accommodations for high school football would not involve the creation of concession areas, but would most likely involve providing a temporary structure by vendors to the location. She called upon Charles Anderson, Architect II, representing the City Engineer's Office, to review the following options:

Victory Stadium

Football 2005

Option A

Temporary Bleachers
Seating Capacity

	3000 Net Seats	4200 Net Seats	5400 Net Seats
Bleacher Rental	\$ 57,000	\$ 79,800	\$ 102,600
Portable Toilets	\$ 11,700	\$ 15,600	\$ 23,400
Scoreboard and Sound System	\$ 12,000	\$ 12,000	\$ 12,000
Fencing	\$ 30,000	\$ 30,000	\$ 30,000
Press Box	\$ 15,000	\$ 15,000	\$ 15,000
Filming Platforms	\$ 3,000	\$ 3,000	\$ 3,000
	\$ 128,700	\$ 155,400	\$ 186,000

Option B

Seating Capacity (9 Rows of Seats)

Existing Stands - No portal Access
Access from Field Side Only

	2160 Net Seats	4300 Net Seats
Portable Toilets	\$ 11,700	\$ 15,600
Scoreboard and Sound System	\$ 12,000	\$ 12,000
Fencing	\$ 30,000	\$ 30,000
Press Box	\$ 15,000	\$ 15,000
Filming Platforms	\$ 3,000	\$ 3,000
Repair Concrete Steps	\$ 15,000	\$ 20,000
Additional Egress Gates from field side		\$ 8,000
	\$ 86,700	\$ 103,600

Option C

All spectators on one side
Seating Capacity

(Aluminum seats only)

Existing West Side Stands - Remove Brick

	6800	
Locker Room Basic Repairs	\$ 12,000	
Restroom Basic Functional Repairs	\$ 5,000	
Fencing	\$ 37,000	
Press Box	\$ 15,000	
Remove Brick	\$ 200,000	Excludes disposal of brick
Repair Concrete Steps	\$ 45,000	
Filming Platforms	\$ 3,000	
Scoreboard and Sound System	\$ 12,000	
	\$ 329,000	

The Mayor advised that the briefing would continue following presentation of recommendations by the Stadium Study Committee at 4:00 p.m.

At 3:55 p.m., the Mayor declared the Council meeting in recess.

At 4:00 p.m., the Council meeting reconvened in the City Council Chamber, with Mayor Harris presiding and all Members of the Council in attendance, except Vice-Mayor Fitzpatrick.

STADIUM: At its meeting on Monday, August 2, 2004, Council appointed a Stadium Study Committee composed of George C. Miller, Charles A. Price, Gwendolyn W. Mason, Gregory W. Feldmann, L. Thompson Hanes, Chad A. Van Hyning, Marsha Combs, David B. Trinkle, Kermit E. Hale, Sherley E. Stuart, Jan P. Wilkins, John H. Parrot, Jr., Patricia Cronise and Richard H. Kepley. The Committee's charge was to assess the athletic facility needs of the City; to review the feasibility of renovating Victory Stadium for use as an athletic facility and venue for events that need to accommodate larger crowds; and to review other possible athletic facility venues, including an outdoor track and locations as the Committee deems appropriate. The Committee, with the assistance of City staff, was authorized to recommend consultants that would be needed in order to perform its duties and to supervise the work of the consultant; and the Committee was requested to report its recommendation(s) regarding the renovation of Victory Stadium and/or other athletic facilities to Council within nine months of the Committee's appointment.

In reporting the Committee's recommendations to the Council the Mayor advised that the proceedings would occur in the following order:

- Presentation of formal report by John H. Parrott, Jr., Chair, Stadium Study Committee;
- Introduction of members of the Stadium Study Committee and the Consultants by the Chair;
- Comments by the consultant
- Questions/comments by the Members of Council;
- Upon conclusion of presentation of the report, a brief recess will be declared;
- Citizen comments
- Consideration by Council of a "Plan of Action".

On behalf of the Members of Council, Mayor Harris expressed appreciation for the work of the Stadium Study Committee, for devoting both their personal and professional time and expertise, and for their individual contributions to complete their assignment. He also expressed appreciation for the support provided by Joyce Johnson, Administrative Assistant to the Mayor, who served as Recording Secretary for the Stadium Study Committee, and was responsible for coordinating information, taking minutes of the meetings and responding to requests for information throughout the study process. He advised that it is recognized that some persons are passionate about the subject of Victory Stadium; however, while in the Council Chamber, the discourse would be civil, and if comments were made that were believed to be personal either toward the Council, the City Administration, the Stadium Study Committee or another individual, that person would be ruled out of order and requested to conclude their remarks.

John H. Parrott, Chair, Stadium Study Committee, introduced the following Committee members: Sherley E. Stewart, Co-Chair, Marsha Combs, Patricia Cronise, Gregory W. Feldmann, Kermit E. Hale, L. Thompson Hanes, Richard H. Kepley, Gwendolyn W. Mason, George C. Miller (not present), Charles A. Price, David B. Trinkle, Chad A. Van Hyning and Jan D. Wilkins. He expressed appreciation for the Committee's devotion to its assignment, to Joyce Johnson for her support as Recording Secretary, and to Charles A. Anderson, representing the City Engineer's Office, who responded to numerous requests for information.

Mr. Parrott presented the following report of the Stadium Study Committee:

"Stadium Study Committee
Recommendations
May 2, 2005

Background

The Citizens Stadium Study Committee was formed in August 2004 by City Council to make recommendations regarding *"... assessing the athletic facility needs of the city"* and *"the feasibility of renovating Victory Stadium."*

Our recommendations are:

A. Victory Stadium

1. Demolish Victory Stadium (10-4 vote April 6, 2005).
2. Utilize a professional firm to assist with planning and construction of a new, multipurpose stadium with adequate traffic access and parking. The new stadium would be situated in the most topographically and economically sound spot on land bounded by Franklin Road on the West, Reserve Avenue on the North, Jefferson Street on the East and the Roanoke River on the South (unanimous vote, March 9).
3. Construct a new multipurpose stadium with at least 15,000 seats (8-5 vote March 9).

4. Maximize green space, gardening, and beautification opportunities as the stadium is designed and plans are made for the area. (Agreed at April 6, 2005 meeting). There are many opportunities to partner with garden clubs, greenways, river protection advocates and the city arborist to design a beautiful landscape.
5. Include the following design elements in the new stadium:
 - a. A flexible seating, stage area for events, preferably in the Reserve Avenue end zone area, with access to dressing rooms and a load-in, load-out dock;
 - b. Elevated locker rooms, bathrooms and concessions to minimize the risk of flooding. Design the rest of the stadium with possible flooding in mind;
 - c. Adequate, permanent concessions facilities;
 - d. Four locker rooms, two on each side with one of these two being dedicated in design to William Fleming and Patrick Henry to boost school pride and morale. The other one would be a "visitors" locker room on each side. Extra locker rooms would provide impetus for regional athletic events throughout the Rivers Edge complex and the City;
 - e. Flags that can be changed to school banners as appropriate;
 - f. Adequate space for a vendor area for special events and booster clubs, ticketing and security;

- g. Berm the end near the river for hill seating if the stands do not fully enclose the field;
- h. Use old elements that can be preserved from Victory Stadium, e.g. bricks, for legacy purposes. (May consider engraving these bricks and allowing citizens to purchase to increase positive citizen participation in the project.) These could be used in the pedestrian/vendor area, but also consider giving away 'limited' numbers of free bricks that can be taken away);
- i. Use the same turf recommendations from the previous Orange Avenue project teams, unless it is not durable enough to withstand events and possible flooding;
- j. Maintain the name Victory Stadium and McLelland Field. Incorporate into the design a wall or pedestrian area on the river end zone, to honor veterans. In addition, an area honoring the City's sports stars should be included;
- k. Consider additional design elements to maximize citizen use of the upcoming greenways project, river access, and other athletic fields;
- l. Provide certain areas needed by Parks and Recreation as they consider their move and consolidation.

B. Recreation and Athletics in Roanoke

- 1. Construct day stadiums on William Fleming and Patrick Henry high school campuses (e.g., 500–1000 seats). The field size should be suitable for multiple sports. Usage will aid in meeting a variety of the City's athletic needs (e.g., amateur sports, regional events).

2. Construct all-weather tracks with at least 8 lanes (Olympic) at each high school, as previously agreed between the School Board and City Council.
3. Develop new management practices and policies, including:
 - a. Providing sufficient funds for maintenance on a permanent basis to include the school facilities and the Stadium;
 - b. Negotiating a fair, lowest possible new Stadium rent for the school system;
 - c. Allowing non-profits to use the new Stadium at reduced rates. Particular sensitivity should be given in the policies to allow non-profit organizations access to the new Stadium, including concession rights, but not at the risk of pre-empting major, revenue generating events;
 - d. Allowing high school booster clubs to run concessions as well as sell items in the vendor area to raise money;
 - e. A full time position on the Civic Center staff should be given to management and promotion of the stadium, with the same in the Parks and Recreation Department for upkeep, maintenance and turf control. If designed correctly, the Committee feels the stadium can be well of the year.
4. The City of Roanoke should review the Parks and Recreation Department's Master Plan of 2000 to meet the current needs of the Roanoke community, anticipate future needs, and properly maintain these facilities on an on-going basis.

Specifically, the Director of Roanoke City Parks and Recreation Department stated to our committee that the City had "two major outdoor deficits": 1) 15-20 additional soccer fields, and 2) approximately 25 softball fields. (See Stadium Committee minutes dated September 29, 2004). The Committee recommends that the area surrounding the new stadium be planned to address these needs. These additional park assets could be used for such events as The Commonwealth Games, football tournaments, softball/ baseball tournaments and soccer and lacrosse events.

5. The Committee strongly encourages Council to continue to work with the School Board to make Victory Stadium usable for high school football games until such time as the new stadium can be constructed."

Mayor Harris called upon the Members of Council for questions and comments.

Council Member Cutler expressed appreciation to the Stadium Study Committee and asked the following questions:

What rationale did the Committee use to arrive at the 15,000 seat recommendation?

Mr. Parrott stated that the Committee's information suggested that the minimum seating requirement for championship football games is increasing; in a few years the number may be a minimum of 10,000 seats for a league game, therefore, 15,000 seats was recommended in anticipation of the City's future needs in 15-20 years.

- Would it be more cost effective to purchase bleachers as opposed to renting them for high school football at Victory Stadium with the understanding that the bleachers could be moved to the two high schools and used at the proposed day stadiums? Mr. Parrott advised that it would be more cost effective to purchase bleachers inasmuch as rental costs are high.

Council Member Wishneff inquired about the rationale for not recommending any type of lighting at the two high school stadiums; whereupon, the reasons cited by Mr. Parrott pertained to the costs involved and neighborhood opposition, although they were not the prime reasons. He added that the main reason for recommending day stadia was due to the fact that if Council approves the primary recommendation of the Committee, lighted stadiums at each of the two high schools would not be needed.

With regard to hosting a Virginia High School League championship game, Council Member Lea inquired if the City would need a stadium that would seat at least 10,000 persons; whereupon, Mr. Parrott replied that it was not an immediate need, but eventually the City may wish to move in that direction.

Council Member McDaniel expressed appreciation to the Committee and inquired as to whether input was provided by the school system? Mr. Parrott responded that the School Board was not in favor of any type of facility that required a maintenance responsibility; however, coaches and students preferred to have their own stadium.

Council Member Dowe expressed appreciation to the Committee and asked the following questions:

- Can athletes from surrounding jurisdictions be accommodated as opposed to City athletes only; whereupon, Mr. Parrott advised that valley wide participation could be developed as a part of the program.
- The U. S. Army Corps of Engineers has advised that water flows from different directions in the area, and is not relegated to the Roanoke River; therefore, he requested that Mr. Parrott elaborate on the thought process of the Committee in selecting the Reserve Avenue site. Mr. Parrott responded that the primary factor was that the City currently owns the land, and another determinant was the fact that on only one occasion since Victory Stadium was constructed was a football game cancelled due to water issues; the Committee was of the opinion that installing the proper type of turf with adequate drainage would offset the need to remove the playing surface from the flood plain; other preventative measures would be required regardless of Federal mandates; the Committee did not recommend the expense of flood proofing the playing surface of either the existing stadium or a new stadium; and if the existing stadium is maintained, it would be worth the expenditure to install an under-drainage system in order to provide for an all weather playing surface.

- Was the fact that the City owns the land the primary determining factor in recommending renovation of the existing facility? Mr. Parrott responded in the affirmative and added that the space offers adequate parking, soccer fields and a track, along with other amenities aside from a stadium.

Although the Reserve Avenue site provides a good location, Council Member Dowe referred to other concerns such as the storm water runoff potential from additional parking areas, the logic behind constructing other structures in the area, exceeding the cost of what was already projected, the recommendation for rental of Victory Stadium by the school system and other non-profit organizations, the lack of maintenance of the existing stadium, and failure of the Stadium to generate its own revenue. He inquired if the Committee gave consideration to providing an affordable and practical rental rate to schools, nonprofit organizations and promoters of other types of entertainment. Mr. Parrott responded that the Committee did not consider issues with regard to rental of the facility since the Committee was charged with the responsibility of submitting recommendations on the City's athletic facility needs and the feasibility of renovating Victory Stadium.

Council Member Wishneff advised that during the consultant's presentation, it was stated that the building had lost its "useful life"; whereupon, he inquired if the \$4.6 million which was recommended in the consultant's report is invested in the facility, how long would such improvements extend the useful life of Victory Stadium. Mr. Parrot advised that the expenditure of \$4.6 million for improvements would most likely extend the life of the structure for a long period of time, but legally, the facility could not be used unless it is brought up to various building code standards, including handicap access; and because of the sizeable investment that would be required to bring Victory Stadium into compliance with building code standards, it was not determined to be a feasible recommendation.

- Why did the Committee fail to seek cost estimates in order to bring Victory Stadium up to building code standards? Mr. Parrott advised that in order to derive an accurate cost estimate, it could take as long as a year in order to select a architect and engineer, to develop specifications and a plan of action, therefore, the Committee made the decision that it would not pursue cost estimates.

In response to a question with regard to why the Committee did not request an extension of time for submittal of its recommendation(s), Mr. Parrott responded that the Committee was not of a mind to ask for what could have been at least a years extension of time in order to obtain cost estimates for renovation of Victory Stadium.

Council Member Wishneff advised that the engineering firm via e-mail stated that minimal repairs to Victory Stadium in the range of \$4.6 million would add over 40 years to the life of the facility; and some citizens were confused in their thinking that Victory Stadium is beyond repair, therefore, the public should know and understand that Victory Stadium can be used and a feasible option is renovation of the facility.

Council Member Cutler asked the following questions:

- Flooding has been of great concern as well as water management. Insofar as rebuilding the stadium, what are the legal requirements with respect to elevation of the field and other features regarding the 100 year flood? Mr. Parrott responded that there were no requirements to elevate the field; athletic fields are considered to be a prime use of floodplains because they do not restrict the flow of water and can be constructed to drain properly; and there would be no concern with regard to obtaining insurance, however, any facilities that are constructed at the site would be required to be constructed out of the floodplain.
- Was the Committee's recommendation to rebuild the Stadium on Reserve Avenue versus another location due to the fact that it would cost less to build a new flood resistant stadium at the current site as opposed to purchasing a new site at another location. Mr. Parrot replied that the Committee did not review the cost of new site(s); two individuals offered to sell property to the City, but later withdraw their offers; the Committee was of the opinion that if the City utilized the condemnation procedure, it could pay more for acquisition of land; and the City's ownership of the Reserve Avenue property was a plus.

Council Member Lea inquired if the Committee engaged in unofficial discussions with regard to costs before the decision was made to recommend construction of a new 15,000 seat stadium; whereupon, Mr. Parrot replied that certain per seat prices were known, i.e.: the per seat price for the Orange Avenue facility was less than \$2,000.00; a 15,000 seat stadium would cost approximately \$30 million; and using a unit price formula estimate can be dangerous because such estimates are historically inaccurate and mean different things to different people.

Mayor Harris advised that when the Committee began its work, there were a number of options that had been considered over the past several years: i.e., small stadiums at each of the high schools and the Orange Avenue site. He inquired if the Committee reviewed a variety of options prior to submitting its recommendations. Mr. Parrot replied in the affirmative and advised that the City Engineer's Office and the Director of Real Estate Valuation provided maps/plats of every unused piece of property in the City consisting of over 12 acres and the Committee visited all of the sites and discussed the pros and cons.

Mr. Parrott introduced Conrad B. Ehrhardt, P.E., President of Sutton-Kennerly & Associates, Inc., and Project Manager for the Victory Stadium Condition Assessment Study, Robert G. Kennerly, Sr., P.E., who participated primarily in the study regarding masonry of the facility, and Michael L. Parker, P.E., a partner from the Charlotte office of Sutton – Kennerly & Associates.

Mr. Ehrhardt presented a summary of the consultants report and advised that the services of Walter, Robbs, Callahan and Pierce, an architectural firm from Winston-Salem, North Carolina, was retained to assist in completion of the ADA assessment.

Mr. Ehrhardt reviewed the following outline:

- American Disability Code (ADASAD)
- Concourse Level Expansion
- Exterior Brick Masonry
- Concrete (Risers/Treads)
- Subsurface Conditions
- Additional Items
- Engineer's Estimate of Probable Cost of Repairs/Remediation

American Disability Code:

- Sutton-Kennerly retained the services of Walter, Robbs, Callahan, Pierce, Architects, PA, to determine the level of compliance with the current Americans with Disabilities Act Standards for Accessible Design (ADASAD) and Virginia State Building Code accessibility requirements.

- Major Deficiencies:

Existing vomitory ramps are not handicap accessible;

No handicap accessible restroom facilities;

No handicap accessible route to assembly seating area and press box;

Handicap parking spaces and the accessible route to the stadium are gravel surfaces, not considered a "stable, firm and slip-resistant" surface and not ADA compliant;

Based on seating capacity of 24,000 fixed seats, 124 wheelchair spaces in the seating area are required

- Concourse Level Expansion:

Sutton-Kennerly conducted an analysis of the structural components of the facility to determine the feasibility of future renovations based on a conceptual design by Heery International in 1996. Based on the information provided, Sutton-Kennerly has determined that the existing structural system will support the concourse being relocated to the second level

Council Member Wishneff inquired if it be possible to make Victory Stadium accessible; whereupon, Mr. Ehrhardt replied that anything is possible with enough money and time.

Mr. Ehrhardt continued his presentations as follows:

- The consultant completed a structural analysis of the major structural components of Victory Stadium relative to the concourse level, which is currently on a slab on grade, and moving amenities such as restrooms and concession stands to an elevated concourse level.
- The existing stadium, when originally designed in the 1940's, allowed for expansion to an elevated concourse level, and an analysis confirmed the opinion that those activities could be elevated or moved to an elevated concourse level.

- A study was conducted in the mid-1990's relative to certain drawings that were completed by Heery International, which indicates an elevated concourse level.

He further stated that ADA compliance and structural capacity at the existing concourse level were the two main issues.

Council Member Wishneff inquired as to the consultants conclusion on the structure; whereupon, Mr. Ehrhardt stated that the structure could support a concourse level and their findings concluded that Victory Stadium is in good general structural condition.

Mr. Kennerly talked about stadium structures in general which are similar to bridge structures and parking deck structures because they are exposed to the elements of nature; like most building materials, when exposed to the weather, they tend to age and deteriorate over time; and building structures, are contained in a dry environment, with temperature control, no moisture, and may last for more than 100 years, while structures like the Victory Stadium, unless they are designed for durability, may have a 40 - 60 year life.

- Major deficiencies in the Victory Stadium structure are the exterior masonry walls;
- Walls at the rear of the stadium function as masonry guardrail walls;
- Walls are required to take the wind load and the load as the result of persons leaning against the wall, which could be as much as 50 pounds per linear foot of pressure;
- Current walls of the structure are cantilevered above ceiling risers;
- Reinforcing bars in the middle of the masonry walls hold the walls in place;
- Reinforcing bars are severely corroded, act as tinsel reinforcing steel for the masonry, and anchor guardrail walls to the structure itself;
- A photograph was shown depicting a bar that had lost about 75 per cent or more of its cross section area and walls currently have minimal reinforcing powers;

- Brick masonry is not a waterproof material, when water seeps into the brick, it ponds around the bar and creates erosion;
- Severe displacements have occurred in movement of the walls, some of which are out of plumb by as much as three and one-half inches due to the fact that when brick and concrete are tied together, they move differently and brick directly from the kiln is at its smallest point, but from that point on the brick expands from moisture and temperature;
- The day after concrete is cast it begins to loose moisture and shrinks and cracking then occurs;
- When two materials like brick and concrete are used together, one is pushing out, one is pulling in, and unless joints are installed to accommodate the movement, it is similar to bricks that are caught in a huge vice;
- Masonry walls are severely bowed, bowed brick walls above masonry walls cannot be straightened by pushing them back in place, and end wall brick has expanded from moisture and pushed the end wall out by about two inches.

Council Member Wishneff inquired if the brick was cosmetic in nature; whereupon, Mr. Kennerly advised that the brick was a structural element and acts like a guardrail wall around the stadium, it is required by code to prevent pushing or leaning up against the wall, and must be durable enough to withstand wind load. He further stated that concrete coping stones, located on top of the masonry guardrail walls, had a rebar that extended into the coping stone that has almost disappeared from corrosion; coping stones are now resting, with basically weight and friction holding them on at the top; they can be taken off because there is no caulking between the joints; the three expansion joints in the brick walls are closed, bricks are in contact as a result of growth of the brick both from temperature and moisture; therefore, inasmuch as the joints closed, it is similar to brick being caught in a vice and these forces cause the brick to bow and push out.

Mr. Kennerly listed the following critical items:

- Vertical expansion joints are completely closed
- Numerous bond failures with the separation of the brick masonry assemblage
- There are no vertical expansion joints of the brick, where the brick is pushed out
- Weather erosion of mortar in the head and bed joints, which is natural for a structure of this age
- Failure of sealant joints at all concrete coping
- Cracking and distress is wide spread
- Bond failure and separation where brick bears down on concrete, and bond separation where brick has pushed up and caused separation from the concrete (concrete frame and columns get shorter with time and brick expands)
- Flashing material which is a plastic material loses plasticizers and becomes hard, brittle and ineffective over time
- Wire reinforcement is sometimes used to bond some wythes of masonry; older construction at the time that Victory Stadium was built required turning brick headers one way and bonding the two wythes, which caused a difference in the movement on the inside and the outside wythes of the brick and created a sheer force that caused the brick headers to fail, which has happened throughout the stadium structure; and if an eight inch wall is tied together, it is many times stronger than two individual four inch walls that are not tied together.

Council Member Cutler requested a clarification of the term “wythe”; whereupon, Mr. Kennerly explained that the wythe of the brick is a unit of masonry; i.e.: four-inch wythes of brick are defined as a brick that is four inches wide.

By using slides, Mr. Kennerly reviewed the following:

- The parapet masonry is bowed, the inside wythe of brick is bearing on top of the concrete seat riser, a rebar extends into what is called the collar joint between the brick, at it is at this point that water has gone through the brick wall and corroded the rebar

- Major deficiencies in the exterior masonry façade on the east and west sides of the structure indicate that the brick is self-supporting from the ground up, which means that all gravity loads are supporting at the foundation system
- The brick must resist wind loads of in and out pressures, to resist the wind load, the load on the brick wall is transferred to the concrete frame, and the transfer mechanism is through anchors or ties; anchors or ties in the stadium are severely corroded, therefore, brick walls on the front and on the east and west sides of the stadium are not adequately anchored to the structure; and for structures like the Victory Stadium that have been exposed to the weather for over 60 years, this type corrosion is normal
- The masonry façade has sustained lateral displacement, with separation between the exterior wythe of brick and concrete spandel beams due to compression of the concrete column shortening and the brick expanding
- There is distress cracking and separation of the masonry directly below the underside of the concrete spandel beams.

Less critical deficiencies in the exterior masonry façade include:

- Localized cracking and distress
- Flashing material failure
- Separation between the brick assemblage and the exterior facing of all concrete masonry block; and because many of the walls have brick on the outside and block, on the inside, there is a separation between the brick and block and whatever material that bonds the two together has either cracked or failed
- Cracked masonry headers
- Vertical cracking in the brick due mostly to high compression loads
- Weather and erosion on the mortar joints
- Failure of the ceiling joints
- Moderate corrosion of the steel little beams, although they are in fairly good condition
- Corrosion of the anchors for the precast concrete belt.

He advised that his presentation was intended to be an overview of information contained in the full report of the consultant. In summary, he stated that masonry walls that are severely bowed out of plumb cannot be straightened up and must be replaced; retrofit anchors and tuckpointing will not solve the problem, and the cost of installing retrofit anchors and tuckpointing typically runs about 70 – 80 per cent of the cost of constructing a new wall, with the most expensive component being the installation of anchors and flashing systems; and it would be more feasible to remove and replace the walls than to repair them. He added that measures to provide temporary use were considered; an option would be to install a temporary line of bracing system at the guardrail and end wall, which would be a structural system to be anchored to the structure that would be bolted to the masonry walls to hold them in place; however, joints would still need to be constructed to accommodate some of the movement, or masonry end walls could be removed and a temporary guardrail wall installed around the outside; the masonry façade on the front and rear sections could be removed leaving the concrete frame exposed; temporary retrofitting ties could be installed in the masonry façade to tie back and secure the front façade on a temporary basis; and it is estimated that temporary measures for masonry work on the above referenced options would cost in the range of \$400,000.00 – \$500,000.00.

Mr. Parker advised that his contribution to the study was to look at the structural framing portion of the concrete by conducting tests and evaluations on concrete risers, treads, and some of the reinforcement. He presented the following summary of his evaluation:

- Concrete frames and supporting members are in good condition
- Vomitory walls are in fair to good condition
- Stands generally are in poor condition, part of which is due to the fact that they are primarily horizontal, have been subjected to a considerable amount of water, and were designed at a time when not a lot of protection that could provided
- Expansion joints have failed
- There has been virtually no maintenance on building materials
- Slabs on grade are in poor condition, cracked and settled with flood damage

He further stated that when looking at these types of structures, engineers look at the embedded steel reinforcement which is a major structural component in aging structures; corrosion and the effects of corrosion was reviewed which required some excavation to look at major reinforcements, all of which appear to be in generally good condition; anchorage of seat brackets can be problematic, and it was discovered that bolts in the embed were in poor condition and highly corroded, but the brackets themselves were in good condition; water-soluble chlorides, which are found on the exterior of a structure whether it be bridges, parking decks or stadiums, revealed salt concentrations in the upper zones of the concrete that could cause corrosion; cores were taken from the concrete and examined under a microscope, which revealed the degree of deterioration of stadium concrete; ponding and leakage of surface water runoff increase the rate of carbonation in concrete, resulting in accelerated surface scaling and a higher risk of corrosion of embedded steel reinforcement; once chloride comes into contact with steel, it can cause an electro chemical ionic reaction and the steel begins to rust; when looking at the condition of the risers and treads, it is necessary to address problems associated with the concrete, therefore, as a mediation effort, removing unsound concrete surfaces on the treads and applying a migrating corrosion inhibitor to minimize the risk of corrosion of embedded steel was discussed; and replacing stand tread surfaces with a durable bonded concrete topping, installing a preformed flexible joint filler in expansion joints to manage water runoff, and applying silanes and silicates to riser and wall surfaces to improve the freeze/thaw durability of the concrete was also discussed.

Council Member Wishneff inquired if the various repair scenarios could be done on a temporary basis; whereupon, Mr. Parker stated that work could be done by removing seats, cutting off bolts and installing new anchors and seats; it would not be wise to use lot of impact equipment for concrete repairs because the pressure would break through the concrete, therefore, a technique known as hydro-demolition using high pressured water is recommended which would remove concrete to a controlled depth, taking off about one and one-half inches of the surface, installing new toppings and applying silanes and silicates to enhance the surface of the risers.

Mr. Ehrhardt stated that there are adverse settlements on the slab on grade structures and in the concession stand and toilet areas, therefore, the services of Froehling and Robertson, Inc., a Roanoke firm, was retained to assist in conducting a subsurface investigation and evaluation; and the investigation revealed some loose silty sands up to 12 - 14 feet in the area. He stated that the original concrete frame was erected on deep foundations, but concession stands, restrooms and locker rooms were constructed on higher and more shallow foundations, and if left in their present location, there is the potential to either resupport, transfer the loads to firmer soil, or anticipate repeated additional repair.

He stated that isolated concrete small repairs in beams and columns need to be addressed; expansion joints need to be replaced; perimeter sealants and slab on grade replacements needs to be addressed; where there has been setting too many offsets exist that can create tripping hazards; handrail replacements; durability treatments to reduce service maintenance, particularly in those areas that need concrete frames; stadium lights and flagpole needs to be removed and sandblasted, repaired, treated, repainted and reinstalled; masonry repair is needed at concession and restroom areas, as well as replacing certain door frames and press box repairs.

He concluded the presentation with the following estimate of costs to complete repairs, which would not address upgrades that would be required as of code, ADA improvements, flood proofing, or any other improvements that would be necessary or desired from the owner's standpoint, but would address only those items that were found to be deficient relative to the structural and condition assessment:

• Repair Riser and Tread Stand Surfaces Subtotal	\$ 2,095,000.00
• Replacement of Brick/Block Masonry Façade Subtotal	\$ 843,000.00
• Additional Repair Items Subtotal	\$ 1,232,000.00
• Ten per cent Contingency	\$ <u>417,000.00</u>
Total Estimate of Probable Cost for Repairs:	\$ 4,587,000.00

Information discussed in the presentation is contained in the following Executive Summary:

"SUTTON-KENNERLY & ASSOCIATES, INC. • CONSULTING ENGINEERS
REPORT
PHASE II
CONDITION ASSESSMENT AND EVALUATION
VICTORY STADIUM
ROANOKE, VIRGINIA

SKA Job No. 040677.0

March 23, 2005

SECTION 1 – EXECUTIVE SUMMARY

Sutton Kennerly and Associates, Inc. (SKA) has completed the condition assessment and evaluation of Victory Stadium in Roanoke, Virginia. During Phase I of this project, SKA developed a scope of services required to complete a thorough evaluation of the present condition of Victory Stadium. SKA has now completed the investigation with the agreed upon scope of services, identified as Phase II.

Victory Stadium is a concrete-framed structure with a brick masonry façade. Victory Stadium was built in 1942 and has a permanent seating capacity of approximately 24,000 seats. This facility has served as the home for high school sporting events, musical concerts, and holiday celebrations since it's construction.

The goal of this condition assessment and evaluation was to determine the overall service condition of the major elements of Victory Stadium. At the completion of Phase I of this project, SKA determined that there were (5) five major elements that should be the focus of the Phase II investigation. The (5) five focal points of Phase II were as follows:

1. The condition of the brick masonry façade.
2. The structural capacity of the stadium as it related to potential renovations.
3. The condition of the concrete framed structure, specifically the seating area surface of the stadium.
4. The compliance of the stadium with current ADA requirements.
5. The subsurface conditions of the soils below the concession/ restroom CMU masonry walls.

In general, the comments made about each of these of these topics shall be applied to both the east and west stadium structures.

Brick Masonry Facade

SKA investigated the present condition of the brick masonry façade and, based on this investigation, SKA has major concerns about the structural stability of the brick façade. SKA separated the investigation of the brick masonry façade into three areas.

The first area of the façade that was investigated was the rear guardrail walls. The rear guardrail walls are a major life safety issue in their present condition. Due to the severe corrosion of the reinforcing bars that is present and the omission of reinforcing bars in this area of the walls, the rear guardrail walls are no longer capable of safely resisting the minimum requirements of the Building Code. The reinforcing bars have deteriorated to a range of approximately 0 to 40% of their original size.

The end walls of the brick façade are also an area that is a major concern to SKA. The end wall guardrails, including the tall sections at the top of the seating risers, are virtually unreinforced. The tall sections of the end walls are very unstable and unsafe at this time. Another major deficiency of the end walls is the bond separation that has occurred between the concrete risers and the first course of brick above the concrete risers. Since there was no reinforcing found in these end walls during our investigation and bond separation has occurred between the façade and the supporting members, the self weight of the brick walls and friction between the brick wall and the top of the concrete treads are the only elements holding this wall in place at this time. These end walls are no longer capable of safely resisting the minimum requirements of the Building Code.

The rear brick masonry façade at the rear of the seating sections was compromised at the time of this report. The masonry ties and anchorage of the rear façade are severely corroded. There are also locations in the rear façade where it appears that the masonry ties were omitted at the time of construction. Another deficiency of the rear façade is the bowing of the walls that has occurred. The vertical displacement of the rear walls was determined to be approximately 1.5".

SKA recommends that the masonry assemblages that are bowed, out-of-plane, displaced and deformed be removed and replaced, as these walls can no longer be repaired. Walls that are plumb and straight can be repaired with retrofit anchors and tuckpointed at the unbonded mortar joints. However, the cost associated with this type of repair is approximately 70–80% of the cost of replacing the brick façade. Therefore, it may be more feasible to remove and replace these brick walls as well.

The estimated probable cost of removing and replacing the brick facades of this structure is approximately \$1.0 million.

SKA recommends the following items that could provide temporary use of the stadium structure.

The rear and end guardrail walls could be temporarily braced throughout the structure or these walls could be removed and replaced with temporary guardrails. Retrofit anchors would be installed into the remainder of the brick façade to temporarily secure it to the structure for both of these two options. Another option that would provide temporary use of the stadium would be to remove the entire brick masonry façade and leave the concrete frame exposed. New temporary guardrails would have to be installed as part of this measure as well. The estimated probable cost of these recommendations is in the range of \$400,000.00 to \$500,000.00, depending on which option was selected.

Structural Analysis of the Concrete Structure

SKA has completed structural analysis of the existing concrete structure to determine if the stadium could safely support the additional loads that would be applied to the structure by new renovations. The conceptual renovation that was considered for this analysis was the 1996 Heery International conceptual renovation provided by the City of Roanoke in the Request For Proposal for this project. This Heery International renovation relocated the main concourse of the stadium to the 2nd level of the structure. Based on the existing structural drawings, the information provided for this conceptual renovation, and the present condition of the concrete structure, SKA has determined that the existing structure could safely support the anticipated additional loads applied by a future renovation.

SKA has not determined any potential costs associated with this conceptual renovation or any other "capital improvements" that could be made to the stadium. Estimating the costs of any "capital improvements" would require a program for the complete renovation of the stadium to be developed. At the time of this report no program has been developed as to the ultimate needs of the City of Roanoke and the potential use of this facility.

Concrete Surface of the Seating Area

The overall concrete structure was found to be in fair condition, particularly for a stadium that has been exposed to weather, flooding, and thermal cycles for over 60 years. The concrete columns and beams show signs of isolated spalling but in general are in good condition. The slabs-on-grade, particularly on the east side of the stadium, are only in poor to fair condition. The slabs-on-grade have been exposed to settlement that is likely associated with the flooding of the stadium that has occurred over the years. However, the major concern that SKA has of the concrete structure is the top surface of the seating area.

The top surface of the seating area appears to be in very poor condition. There are signs of severe cracking, spalling, and scalling distress throughout the areas of the treads and risers of the concrete structure. This distress is primarily due to the concrete not containing an air void system to aid the durability of the concrete surface to resist cyclic freeze-thaw stresses.

SKA recommends that the entire top surface of the seating area be repaired. This repair would require that the top 1½" of the existing concrete be removed by hydro-demolition. A low-shrink concrete topping slab would be installed to replace the 1½" of concrete that was removed.

The estimated probable cost associated with repairing the top surface of the seating area is approximately \$2.1 million.

ADA Compliance of the Stadium

SKA retained Walter, Robbs, Callahan, and Pierce Architects, PA (WRCP) to complete a study of the stadium to determine the level of compliance with the Americans with Disabilities Act Standards for Accessible Design (ADASAD). After WRCP completed their study, it was determined that the stadium had several major deficiencies with regards to the ADASAD. The major deficiencies of the stadium were as follows:

1. The vomitory ramps are not handicap accessible.
2. There is no handicap accessible route to the press box.
3. There are no handicap accessible restroom facilities.
4. The parking lot is not located on a stable, firm, and slip-resistant surface.
5. There are only 4 wheelchair seating areas at this time. Based on the seating capacity of 24,000 people, the ADASAD requires that a minimum of 124 wheelchair spaces be provided.

Determining estimated costs for ADASAD improvements was not included in our current scope of services and therefore SKA has not determined any potential costs associated with making such improvements so that the stadium will be in compliance with the current minimum requirements of the ADASAD.

Subsurface Condition of the Concession/Restroom CMU Walls

SKA retained Froehling and Robertson, Inc. (F&R) to complete a subsurface analysis of the soils supporting the stadium. Based on the geotechnical report that has been provided by F&R, it was determined that the structural fill used during construction consisted of loose silty sands. These silty sands were still loose at the time of this investigation and have not completely compacted over the life span of this structure, as may be expected. Therefore, additional settlement could occur at the concession/restroom CMU walls. F&R recommends that additional foundation measures should be taken to stabilize these walls to minimize this additional settlement and potential detrimental effects upon the structure.

Based on the information provided by F&R, SKA recommends that an additional foundation support system, such as helical piers spaced at approximately 6' to 8' on center, be installed at all of the concession/ restroom walls to minimize the risk of further settlement.

The probable estimated cost associated with stabilizing and repairing/replacing the concession/restroom walls is approximately \$350,000.00.

Additional Repair Items

In addition to the main deficiencies indicated above, there are a number of less critical deficiencies that should be addressed if the stadium is to be repaired and utilized. The total estimate of the probable cost for all the repairs that we have identified is approximately \$4.6 million. This estimated probable repair cost does not include any 'capital improvements' such as a new press box, concourse levels, ADA enhancements, and/or flood proofing, etc."

Mayor Harris expressed appreciation for the presentation and recognized the following Council Members for questions.

Council Member McDaniel inquired if most of the damage to the stadium occurred as a result of flooding or due to the age of the structure; whereupon, Mr. Ernhardt replied that primarily damage occurred because the structure is exposed to outside weather elements.

In view of the silty sand that was discovered, she further inquired as to the advisability of demolishing Victory Stadium and constructing another facility on the same site; whereupon, Mr. Ernhardt replied that a new stadium could be accommodated in terms of design; and methods are currently available that will accommodate construction with soils or materials that appear to be unacceptable, but can be rendered acceptable as a result of various techniques.

Council Member Wishneff inquired about other projects that Sutton-Kennerly & Associates had been associated with; whereupon, Mr. Ernhardt replied that he worked on the Carter-Finley Stadium at North Carolina State University; some of the issues that have been discussed in regard to Victory Stadium have been done in studies for rehabs at Appalachian State University where severe ettringite formation was discovered in the concrete (an internal chemical reaction that caused the concrete to break apart), which required a considerable amount of replacement; his firm designed an upper deck for the stadium at East Carolina University; the firm was involved in studies at Chapel Hill and Keenan Stadium, Whitmire Stadium/Waters Field at Western Carolina University; and participated in a number of projects on facilities similar to the Greensboro North Carolina Coliseum.

Council Member Wishneff inquired if any of the facilities were torn down and replaced by new structures; whereupon, Mr. Kennerly replied that the lower seats at Appalachian State University were torn down due to chemical reactions of the precast concrete.

Council Member Lea referred to previous statements regarding Victory Stadium's age and lack of maintenance and inquired if the structure is considered to be in good condition overall; whereupon, Mr. Kennerly replied that the concrete frame structure is in good condition.

Council Member Cutler compared Victory Stadium to enclosed structures such as Jefferson High School and the old Passenger Train Station, etc., and inquired about the effects of weathering on an enclosed building in comparison to a weather beaten structure like Victory Stadium. He asked if the cost of bringing Victory Stadium up to code, after other expectations are added to the estimate to cover the cost of structural repairs, would be at least equivalent to a new stadium. Mr. Ernhardt replied that without a program, etc., it would be inappropriate to comment with regard to costs since certain unique situations would need to be addressed.

Council Member Dowe inquired if the statement "exposed to the elements" is relegated exclusively to those elements that fall from the sky, as opposed to the location of Victory Stadium with respect to impending or existing water tables; whereupon, Mr. Ernhardt stated that the actual water table is lower than what was believed to be the case, test borings revealed that the water level is quite low, or down in the range of 12 - 14 feet or more; and natural fluctuations are expected throughout the seasons, but the condition of Victory Stadium primarily involves exposure of the concrete to elements such as rain, snow, and various food items.

Mayor Harris requested clarification on a statement in which the consultant "guestimated" that a new stadium would cost about \$3,000.00 to \$4,000.00 per seat, and if those figures are applied to 15,000 seats, the cost of a new stadium would be in the range of \$45 to \$60 million. Mr. Ernhardt stated that the figures were based on a higher mid-range stadium; many national football stadiums could go as high as \$6,000.00 per seat, and high school venues could go as low as \$300.00 to \$400.00 per seat, so there is a wide range depending upon the amenities that go into the cost; and later additions to the north side of Lane Stadium at Virginia Tech cost approximately \$3,000.00 per seat.

There being no further questions or comments for the Stadium Study Committee or the consultant, Mayor Harris advised that 20 persons had signed up to speak on the issue, therefore, each person would be allotted three minutes.

W. Alvin Hudson, Jr., 1956 Hope Road, S. W., a former member of City Council and City Sheriff, stated that in the 1970's or 1980's, some persons were in favor of tearing down the Old Post Office Building, but under the leadership of the late Council Member James O. Trout, the Mayor and Members of City Council, allocated funds to renovate the building, which is now known as the Commonwealth Building and is occupied by State employees. He stated that the Commonwealth Building was in poor condition prior to the City's involvement as was the former Jefferson High School, The Hotel Roanoke, and the old Norfolk Southern Building which now houses the Roanoke Higher Education Center; therefore, he asked that Council have the same vision for Victory Stadium and renovate the facility.

Abney S. Boxley, 301 Willow Oak Drive, S. W., asked that Council consider the primary purpose of Victory Stadium, the price that the City is willing to pay, the desired outcome when the course of action is selected, and that Council clearly articulate a vision for the facility. He commended the Stadium Study Committee on the quality of its work; however, the debate was miscast as one of a team either repairing Victory Stadium or building a new stadium; and the lack of a clear vision has led to acrimony among competing factions being trapped between two poor choices. He stated that the primary purpose of Victory Stadium was for high school football and other turf sports such as soccer and lacross, and asked that Council articulate a vision that creates a world class home for high school sports and provides home field advantage for athletes and fans alike. He advised that previous Councils have stated that they were willing to pay up to \$18 million for a multi-purpose facility; therefore, he suggested that Council commit to spend up to \$10 million to meet the primary purpose which is high school athletics and use the remainder of the funds to construct a regional entertainment venue which should be planned in concert with other local governments. He noted that a 3,500 seat facility could be constructed at Patrick Henry High School and a larger 6,000 plus seat facility could be constructed at William Fleming High School within budget; the first stadium at William Fleming could be constructed by the fall of 2006 and the second stadium at Patrick Henry High School could be completed by the following year; and Victory Stadium could be saved for whatever purpose is deemed appropriate and on a time line of the City's choosing.

William J. Bryant, Jr., 124 Fleming Avenue, N. E., spoke in support of renovating Victory Stadium for historical purposes. He concurred in the remarks of a previous speaker with regard to the City's role in renovating other local structures such as the Commonwealth Building, The Hotel Roanoke and the former Norfolk Southern Building. He advised that it does not make sense to build a new stadium at \$45 million when Victory Stadium could be renovated for approximately \$15 million.

Margaret Keyser, 2701 Guilford Avenue, S. W., spoke with regard to constructing stadia at the two high schools. She expressed concern that the matter was not discussed with persons who live in the 1700, 1800, 1900 and 2100 blocks of Brandon Avenue, Guilford Avenue and residential streets adjoining Patrick Henry High School. She advised that streets in the area were intended to be residential, with only Grandin Road and Brandon Avenue serving as thru ways, and parking will be an issue if no additional parking facilities are made provided at Patrick Henry High School. On behalf of residents of the area, she requested an indepth briefing.

Pat S. Lawson, 1618 Riverside Terrace, S. E., commended those persons who were willing to support the renovation of Victory Stadium.

Robert Gravely, 727 29th Street, N. W., advised that a stadium designed to seat 15,000 people would cost an estimated \$30 million; renovation of the current Victory Stadium with a seating capacity of 24,000 is estimated to cost between \$5 million and \$15 million, therefore, renovation would be more cost efficient. He stated that Victory Stadium must be promoted in order to generate revenue for the City, and urged that Council explore ways to create revenue from events held at the stadium and create job opportunities for Roanoke's citizens, while cutting costs and saving taxpayers' dollars.

Helen E. Davis, 35 Patton Avenue, N. E., expressed appreciation to the Mayor for proposing that Council seek additional information upon which to base a decision on Victory Stadium.

Winfred Noell, 2743 Northview Drive, S. W., advised that the consultant provided a positive and reassuring report in favor of renovating Victory Stadium; sand and loose soil would not be an issue since nothing would be constructed on the soil if the stadium is renovated; and the investment \$4.6 million would correct issues regarding corrosion, cracked brick, and out-of-plum walls. He expressed concern that the Stadium Study Committee did not explore costs associated with its recommendations; therefore, he encouraged Council to obtain cost estimates for both renovation of Victory Stadium and construction of a new stadium so that Council's decision will be based on actual dollar amounts.

Vice-Mayor Fitzpatrick entered the meeting.

Jim Fields, 17 Ridgecrest Road, Hardy, Virginia, expressed appreciation to Council for its willingness to consider other stadia and other options. He stated that according to the agreement with N & W Railway, Victory Stadium belongs to the taxpayers of Roanoke; therefore, the City should maintain the facility as a memorial to those persons who served their country in World War II. He asked for a second opinion on the cost of constructing a new stadium and advised that since the Reserve Avenue property was given to the City of Roanoke by N & W Railway, representatives of the railroad should be contacted to provide input on any future development. If livery stables that are 100 years old can be preserved, he inquired as to why Victory Stadium which is only 60 years old cannot be renovated; and Victory Stadium could become another Lane Stadium on a smaller scale with a seating capacity for 25,000 persons.

Evelyn D. Bethel, 35 Patton Avenue, N. E., spoke in support of a thorough and independent cost estimate for the basic renovation of Victory Stadium based upon a design that would meet the Secretary of the Interior's Standards for Historic Tax Credit purposes. She pointed out that historic preservation of Victory Stadium has not been investigated to its fullest extent. She concurred in the remarks of a previous speaker with regard to renovating Victory Stadium in a manner similar to the City's involvement with the Jefferson Center, the Commonwealth Building and the Roanoke Higher Education Center. She asked that Council obtain realistic cost estimates for all options regarding Victory Stadium so that the decision of Council will be based on solid information and not on personal feelings.

Patricia M. Pruet, 4902 Grandin Road, S. W., expressed concern that students attending Roanoke's high schools do not know where their football games will be played during the upcoming fall football season, and that their memories of high school football games will be diminished; therefore, the City owes them the opportunity to play football at Victory Stadium. She spoke in support of a cost analysis for renovation of Victory Stadium and that the current stadium remain a part of Roanoke's history for future generations. She expressed appreciation to the Members of Council for their devotion to the City and asked that Council do everything within its power to renovate and to maintain Victory Stadium.

John C. Graybill, 2443 Tillet Road, S. W., expressed appreciation to the Stadium Study Committee and advised that if he was convinced that Victory Stadium should be demolished, he would endorse the Committee's recommendation 100 per cent; however, he spoke against construction of a small football stadium at Patrick Henry High School because of the detrimental affects on surrounding residential streets. He stated that as a taxpayer, he pended upon City Council to make fiscally responsible decisions; \$100 million has already been spent for two new high schools, even though Roanoke has a declining student population; funds that are proposed for construction of a track at each high school totals approximately \$1.3 million per school which could be used toward renovating Victory Stadium; and the City could save additional taxpayers' dollars if the school system was instructed to save present gymnasiums and field houses, which were constructed because there were inadequate dressing facilities at Victory Stadium. He inquired if a track could be installed at Victory Stadium if the field were raised to prevent flooding, in addition to renovation of restroom and dressing facilities. He urged that Council obtain cost estimates on renovating Victory Stadium versus construction of a new stadium, that the community be given the opportunity to provide input into the study, and that citizens be allowed to vote on the fate of Victory Stadium through a referendum.

Frieda G. Tate, 4556 Vanwinkle Road, S. W., expressed appreciation to Council Members for their service to the community. She spoke in support of preservation of local landmarks such as Victory Stadium and Jefferson High School, and advised that the citizens of Roanoke have overwhelmingly stated their preference for renovation of Victory Stadium.

E. Dwayne Howard, 1135 Wasena Avenue, S. W., advised that the decisions of the Stadium Study Committee can be summarized as a rush to judgment; and it should be taken into consideration that the most crucial fact of the entire debate over Victory Stadium for the last 5 - 15 years has been the issue of structural integrity of the facility; therefore, the Committee should be starting its study now with the benefit of information contained in the consultant's report. He added that in the final analysis, the consultant advises that the stadium can be renovated for \$4.5 million which is not a lot of money when considering today's figures as opposed to constructing a new facility. He added that the City needs Victory Stadium to host future events such as the X-games and gravity sports and encouraged the Members of Council to support the wishes of the majority of Roanoke's citizens by renovating Victory Stadium.

Peter White, 2615 Rosalind Avenue, S. W., asked that Council obtain cost estimates to renovate Victory Stadium and, in the interim, that Council give consideration to a location where high school football can be played in the fall. He asked that the City explore the cost of constructing a small stadium at each of the two high schools and advised that Council has a fiduciary responsibility to obtain cost estimates on all available options.

Bill Tanger, 257 Dancing Tree Lane, Botetourt County, commended the work of the Stadium Study Committee. He stated that it was a wise recommendation to not recommend construction of a stadium at the Orange Avenue, site; therefore, he supported the concept of a new and large stadium to be constructed on Reserve Avenue. He advised that the Stadium Study Committee recommends a new 15,000 seat stadium; the engineer indicated that it would cost \$45 to \$60 million; Victory Stadium could be renovated at a cost of \$4.6 million for structural repairs, although the cost of full renovations is not known at this time, therefore, the next step would be to determine whether the City wants to spend \$45 to \$60 million on a new stadium or to renovate Victory Stadium. He stated that an even larger issue is a voter referendum; Council has the ethical responsibility to empower the City to hold referenda, therefore, the time has come for Council to provide a mechanism that allows taxpayers to vote on major issues; virtually every major city in Virginia provides this authority and the City of Roanoke needs to take similar action.

Terry Moomaw, 3426 West Ridge Circle, S. W., spoke on behalf of Gary Leah, Principal, Patrick Henry High School; Randy West, Athletic Director; a majority of the staff at Patrick Henry High School and a majority of the Patrick Henry High School PTA Board of Directors. He endorsed construction of an athletic facility at the two high schools.

Chris Craft, 1501 East Gate Avenue, N. E., spoke in opposition to the demolition of Victory Stadium. He referred to that portion of the consultant's report that concession stands and restrooms could be raised to the same level as the stands for seating, thus removing any concerns with regard to the foundation underneath current seating stands. He spoke in support of renovation of the stadium and construction of concession stands and a press box.

Richard Kepley, 550 Kepplewood Road, S. E., a member of the Stadium Study Committee advised that Chairman Parrot presented the "majority" report, and he would present the "minority" report. He pointed out that the Committee's report indicates that the Stadium should be jointly-controlled by the Roanoke Civic Center and the Department of Parks and Recreation; the Civic Center was responsible for the stadium for the past four years; prior to that time, the Parks and Recreation Department was responsible for the facility, the Parks and Recreation Department engaged in a yearly program of replacing wooden seats with metal benches, and have been replaced during the past four years while Victory Stadium was under control of the Civic Center.

He added that during the past ten years, three major brick works projects have been completed on the stadium; viz: both sides, both ends on the Jefferson Street side and under the press box, and space under the press box can still be used; he was advised informed that 90 per cent of the metal bleachers are in good condition, the other ten per cent could be repaired, and the area under the press box could be roped off. He stated that no brick work has been done in the last four years since the Civic Center was assigned responsibility for the facility; therefore, he asked that a specific City department be charged with the responsibility of managing and promoting use of the stadium in order to generate revenue. He spoke to issues regarding flood control and seating capacity and noted that some persons have said that the stadium is too large; however, it should be recognized that 260,000 people live within 20 minutes of downtown Roanoke, over 20,000 people have attended the Fourth of July celebration at Victory Stadium, and the Dave Matthews Concert drew over 30,000 people.

He pointed out that the consultant advises that Victory Stadium is basically sound, all seats could be replaced with metal seats, brick work could be repaired, new risers and steps could be constructed, and ADA issues could be addressed in addition to restroom facilities and concession stands. He encouraged Council to obtain cost estimates on the renovation of Victory Stadium, compared to the cost of a new stadium and that there be an assessment of current metal bleachers before the City invests in the cost of temporary bleachers for high school football.

Mr. Kepley called attention to past efforts by the City to restore Jefferson High School and The Hotel Roanoke and advised that the same should be done for Victory Stadium.

Frank Roupas, 841 Warrington Road, S. W., spoke in support of renovating Victory Stadium.

The Mayor presented a communication transmitting the following "Plan of Action for Stadium Decision" which was intended to facilitate conclusion of the matter. He explained that the Plan consists of requests for information, i.e.: cost estimates for certain stadium options, as well as referral of certain recommendations from the Stadium Study Committee to the City and School administrations; the Plan is responsive to the work of the Stadium Study Committee and to additional requests by the Members of Council.

Plan of Action for Stadium Decision:

Council direct the City administration to take the necessary steps that result in City Council receiving thorough, independent cost estimates from professionals with significant experience in designing and/or constructing new and renovated stadium projects for:

A basic renovation of the existing Victory Stadium incorporating elements enumerated in Section A.5, Items B (if it meets historic standards), C through F, two turf options (one artificial, one natural), compliance with ADA standards, a renovated press box, upgraded lighting and sound systems, and with a minimum retention of 20,000 seats. Further, one renovation estimate should be based on a design to meet the Secretary of Interior Standards for historic tax credit purposes and the second estimate to not include said standards.

A new stadium incorporating elements enumerated in Section A.5, Items B through L, with estimates reflecting seating capacities at 5,000, 10,000 and 15,000 benchmarks.

All options take into account the impact of the flood reduction project along the Roanoke River and make the appropriate adjustments to the construction estimates.

Council affirm the Stadium Study Committee's recommendation that a stadium facility remain sited in the area outlined by Recommendation A.2.

Council direct the City administration to provide a cost estimate for Item A.1.

Council forward Recommendations B.1 and B.2 to the Roanoke City School Board for review and response.

Council refer items contained in Recommendation B.3 to the City Manager for review and report back to City Council.

Council refer Recommendation B.4 to the City Manager for review and report back to City Council.

Recommendation B.5 is currently being addressed.

The Mayor advised that the Members of Council provided input to the above referenced Plan of Action and previously indicated their concurrence, with the exception of Council Member Dowe who asked to reserve comment until today's meeting.

Council Member Wishneff moved that Council approve the "Plan of Action for Stadium Decision" under date of April 27, 2005 as submitted by the Mayor. The motion was seconded by Council Member Lea.

Vice-Mayor Fitzpatrick expressed appreciation to the Mayor for his leadership in resolving the issue. He advised that after having received additional information that the schools would prefer to have stadiums constructed at the two high schools, Council would be remiss if it did not obtain cost estimates; whereupon, in addition to instructing the City Manager to obtain cost estimates with regard to renovating Victory Stadium and constructing a new stadium, he offered an amendment to the motion that the City Manager be instructed to obtain cost estimates for construction of stadia at William Fleming and Patrick Henry High Schools and that Council receive public comment prior to taking any action on the matter. The amendment to the motion was seconded by Council Member McDaniel.

Council Member Dowe expressed appreciation to the Mayor for his leadership. He advised that the job of Council is to be stewards of taxpayers' money and to take those actions that will put Roanoke in the best possible position. He concurred in the remarks of a previous speaker that there is no guarantee that a stadium at the Orange Avenue site would work, there is no guarantee that a refurbished Victory Stadium would work, there is no guarantee that a newly constructed stadium would work, but there must be at least one scenario that will provide the best likelihood of success. He called attention to certain challenges within the Mayor's proposed "Plan of Action," and he was willing to support the Plan; however, it would hoped that the Council would have the courage to include the original site on Orange Avenue.

He stated that he was encouraged by the remarks of citizens who spoke in support of preserving The Jefferson Center which was accomplished as a result of public/private partnerships.

Council Member Cutler stated that his vote would be based on his respect for the work of the Stadium Study Committee which was composed of a group of intelligent individuals who spent nine months on their assignment. He advised that if the Council expects citizens to volunteer for similar tasks in the future, Council must respect their recommendations; and the Stadium Study Committee voted unanimously in support of a new stadium to be bounded by Franklin Road, Jefferson Street, Reserve Avenue and the Roanoke River.

Council Member McDaniel advised that she respects the recommendations of the Stadium Study Committee; however, she could not support any specific recommendation(s) without precise cost estimates. While cost estimates are prepared, she stated that costs for constructing a small stadium at each of the two high schools be explored.

Council Member Lea spoke against the Vice-Mayor's amendment to the motion. He stated that the citizens of Roanoke have spoken, the Stadium Study Committee has submitted its recommendations and the Council should make a decision to either renovate Victory Stadium or to construct a new stadium. He asked that Council seek cost estimates prior to making a decision to either construct a new stadium or to renovate the present stadium, but to ask for cost estimates on stadia to be constructed at the two high schools would be a step backwards and send the wrong message; therefore, he would not support the amendment to the motion.

Council Member Wishneff advised that no citizen wants a stadium in their neighborhood and it would not be wise to send a message to citizens that the City is considering a stadium at either Patrick Henry or William Fleming High Schools.

Mayor Harris respectfully disagreed with the Vice-Mayor's amendment to the motion on the grounds that Council should narrow the options so as to focus on a decision; members of the Stadium Study Committee invested nine months of time on the study and most of their major decisions were not unanimous, but the one decision that was unanimous was to site the athletic facility along the Reserve Avenue corridor; and the Committee looked at constructing a stadium at each of the two high schools and unanimously reached the conclusion that it was not an option worth pursuing.

There being no further discussion, the amendment to the motion; was defeated by the following vote:

AYES: Council Member McDaniel and Vice-Mayor Fitzpatrick-----2.

NAYS: Council Members Wishneff, Cutler, Dowe, Lea and Mayor Harris-----5.

The original motion was adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----7.

NAYS: None-----0.

Mayor Harris expressed appreciation to the Stadium Study Committee, representatives of Sutton-Kennerly & Associates, the Members of Council and citizens who participated in the meeting.

At 7:15 p.m., the Mayor declared the Council meeting in recess.

The Council meeting reconvened at 7:25 p.m., in the Council's Conference Room, Room 451, with Mayor Harris presiding and all Members of the Council in attendance.

ARMORY/STADIUM: As previously indicated, City staff continued the briefing on 2005 high school football at Victory Stadium.

Mr. Anderson advised that following Council's earlier discussion on the three options that were presented by staff for 2005 football at Victory Stadium, City staff looked at cutting new egress points into the front wall of the stadium on both sides that would provide approximately 4200 - 4300 seats across the front, into the end zone, with temporary portable bleacher seating of approximately 16 rows in order to gain another approximately 1300 seats, which would increase seating capacity to about 5600 seats, at a cost of approximately \$136,000.00 (Option B Hybrid).

Option B Seating Capacity	Existing Stands - No portal Access Access from Field Side Only	5580 Net Seats
Bleacher Rental	\$	26,100.00
Portable Toilets	\$	21,900.00
Scoreboard and Sound System	\$	12,000.00
Fencing	\$	30,000.00
Press Box	\$	15,000.00
Filming Platforms	\$	3,000.00
Repair Concrete Steps	\$	20,000.00
Additional Egress Gates from field side	\$	8,000.00
	\$	136,000.00

Following discussion, it was the consensus of Council to approve the above referenced Option B Hybrid.

After further discussion, by consensus of the Council, the following was approved:

- For liability purposes, Victory Stadium will not be available for any activity other than high school football and the Western Virginia Education Classic.
- Concessions will be operated by High School Boosters Clubs.
- The school system will pay the same rental rate as in past years for use of Victory Stadium.

- Athletic teams will be requested to dress for football games at their home schools and the School system will provide a location for dressing by visiting athletic teams.
- The Victory Stadium Capital Account will be used to fund temporary improvements to Victory Stadium.

At 8:00 p.m., the Mayor declared the Council meeting in recess until Wednesday, May 4, 2005, at 8:30 a.m., in Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., at which time the Council would engage in Fiscal year 2005–2006 Budget Study.

The meeting of Roanoke City Council reconvened on Wednesday, May 4, 2005, at 8:30 a.m., in Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, for fiscal year 2005-2006 Budget Study, with Mayor C. Nelson Harris presiding.

PRESENT: Council Members Brian J. Wishneff, M. Rupert Cutler, Beverly T. Fitzpatrick, Jr., Sherman P. Lea, Brenda L. McDaniel and Mayor C. Nelson Harris-----6.

ABSENT: Council Member Alfred T. Dowe, Jr.-----1.

OFFICERS PRESENT: Darlene L. Burcham, City Manager, William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Stephanie M. Moon, Deputy City Clerk.

OTHERS PRESENT: Rolanda B. Russell, Assistant City Manager for Community Development; George M. McMillan, Sheriff; Evelyn W. Powers, Treasurer; Sherman M. Stovall, Director, Office of Management and Budget; and Amelia Merchant, Budget Management Analyst, Office of Management and Budget.

COUNCIL: The Mayor announced that no public hearings were scheduled to be heard by the Council on Monday, May 16, 2005, whereupon, he suggested that the 7:00 p.m., Council meeting be cancelled.

Vice-Mayor Fitzpatrick offered the following resolution:

(#37042-050405) A RESOLUTION canceling the portion of the regular meeting of City Council used for the conduct of public hearings which is scheduled to be held at 7:00 p.m., on Monday, May 16, 2005, and amending Resolution No. 36762-070704, which established the meeting schedule for the Fiscal Year commencing July 1, 2004, and terminating June 30, 2005.

(For full text of resolution, see Resolution Book No. 69, Page 370.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37045-050405. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

BUDGET: The City Manager advised that at the Council's Financial Planning Session, which was held on February 18, 2005, it was reported that the financial and budget situation was better this fiscal year than in the past two years. She further advised that as stated during the April 18, 2005 Council meeting, the City has experienced good revenue growth, both in local taxes, and primarily in real estate taxes, which are the City's main sources of revenue, along with some improvements in State revenue which have not been available to the City in previous years. She noted that the City has a number of needs to be addressed as the cost of doing business increases; and the proposed budget includes several efforts that the Council previously outlined, such as debt service to accomplish construction of the two high schools, and to maintain progress with regard to equipment replacement, building maintenance, technology and street paving.

The City Manager pointed out that seven positions were reinstated that had been unfunded in previous years, i.e.: four positions in Street Maintenance and Social Services Departments, an additional law clerk for the judges which is funded in partnership with Roanoke County and the City of Salem, and two positions in the Planning, Building and Development Department. She added that recommendations to improve landscaping at the Roanoke Centre for Industry and Technology and promotion of the City's brand identity are considered to be key activities to improve economic development opportunities for the City of Roanoke.

She referred to an editorial in *The Roanoke Times* with regard to Council's strategic decision to purchase the Countryside Golf Course, which is important to the City's efforts, not only to increase additional housing opportunities, but to provide opportunities for additional business development. She also called attention to the Colonial Green Project which is another project that is designed to make Roanoke more attractive to persons visiting the Roanoke Valley.

The City Manager noted that additional funding was included in the proposed budget for parks and recreation activities, greenways, outdoor events support, the Discovery Center and program activities, and recommendations for improvements to storm drainage maintenance and traffic signal equipment replacement. She emphasized that consideration was given to various issues that were discussed by the community at large and by the Members of Council, and she was pleased to present a balanced 2005-2006 fiscal year budget.

She called attention to certain proposed constitutional modifications to the real property tax as proposed by the two gubernatorial candidates, and expressed concern with regard to the potential of lower property tax revenue for the City leading to reduced public services and/or higher real property tax rates.

Council Member Cutler stated that the landscaping environment at the Roanoke Centre for Industry and Technology should be more natural in appearance, and suggested the creation of hiking trails and appropriate locations for outdoor dining for employees who work in the industrial park. He requested information with regard to a utility fee for storm water management.

The Director of Finance called attention to an additional allocation of \$12 million in funds within the proposed 2005-2006 Fiscal Year Budget.

ITEMS REFERRED TO BUDGET STUDY

Additional Operating Funds for Mill Mountain Theatre

Mr. Stovall called attention to discussions by the Mayor, the Vice-Mayor and City staff with representatives of Mill Mountain Theatre regarding the financial status of Mill Mountain Theatre and assistance by the City of Roanoke; whereupon, the following options were presented:

Marketing initiative - \$137,200.00

- Enhancing general ticket sales through a sustained television advertising campaign and permanent signage, such as a marquee and the use of print media.

Development Initiative - \$27,764.00

- Enhancing individual contributions, corporate sponsorships, and secure government and foundation grants. Additional technology support, such as computers and clerical support positions.

Capital Improvements - \$750,000.00

- Provide \$200,000.00 for capital improvements over four years. Allocate funding as a part of the Capital Maintenance and Equipment Replacement Program.

Mr. Stovall stated that it is recommended that \$209,000.00 be provided for capital improvements over four years to be allocated as a part of the Capital Maintenance and Equipment Replacement Program, which is consistent with the provision of capital funding provided to the Grandin Theatre and The Dumas Center. He added that the Mountain Theatre is receptive to the City's recommendation, but requested the following considerations:

- \$125,000.00 in the first year and \$25,000.00 each year for three years; and
- Provision for funds in July 2005 to facilitate improvements during the off-season.

The City Manager advised that the City will provide non-cash assistance to Mill Mountain Theatre, as follows: technology expertise from the Department of Technology and clerical support through a program administered by the Department of Social Services.

There being no further questions/comments, Council Member Cutler moved that Council concur in the following recommendation:

\$209,000.00 be provided for capital improvements over four years to be allocated as a part of the Capital Maintenance and Equipment Replacement Program;

\$125,000.00 in the first year and \$25,000.00 each year for three years;

Provision for funds in July 2005 to facilitate improvements during the off-season; and

Provide non-cash assistance to Mill Mountain Theatre, as follows: technology expertise from the Department of Technology and clerical support through a program administered by the Department of Social Services.

The motion was seconded by Council Member McDaniel and adopted.

Public Safety Pay

Mr. Stovall advised that:

- In an effort to address the recruitment and retention of Police Officers, an enhanced level of compensation was provided, effective January 1, 2005.
- A request to provide the same level of enhanced compensation to Deputy Sheriffs was suggested by Sheriff George McMillian.
- Council subsequently provided instructions to adjust the recommended fiscal year 2005-2006 budget to provide Deputy Sheriffs and Fire-EMS employees the same level of enhanced compensation that was provided to Police Officers.
- Annual implementation cost will be approximately \$1,050,000.00, effective July 1, 2005.

- Implementation of the enhanced level of compensation for Deputy Sheriffs and Fire-EMS employees, effective July 1, 2005, would require a reduction in pay increases granted to all City employees from three per cent to two per cent.

Mr. Stovall reviewed the following options:

- Delay provision of enhanced compensation to Deputy Sheriffs and Fire-EMS employees until January 1, 2006.
- Reallocate \$120,000.00 recommended for Fire-EMS Career Enhancement Program to base pay.
- Delay provision of enhanced compensation for all City employees until January 1, 2006, and increase the pay raise from three per cent to four per cent as an incentive to employees for the delay in implementation.

Cost:

- Total annual cost of approximately \$4 million.
- Fiscal year 2005-2006 cost of approximately \$2 million for one-half year.
- Fiscal year 2006-2007 cost of additional \$1.3 million as the full cost of enhanced compensation is incurred.

Mr. Stovall reviewed the following staff recommendations:

- Provide Sheriff and Fire-EMS employees the same level of enhanced compensation that was approved for Police Officers, effective January 1, 2006, which will result in an increase of four per cent and a potential classification modification for public safety employees who complete the probationary period.
- Increase the recommended pay raise for all City employees from three per cent to four per cent, effective January 1, 2006.

Discussion:

Council Member Cutler inquired about the average percentage pay increase for City employees; whereupon, Mr. Stovall advised that over the past several years, the average pay increase has been between two and one-half to three per cent. The City Manager pointed out that the budget message states that the City lags behind benchmark communities in terms of general compensation, not public safety compensation, and urged that Council consider the recommendation to delay the pay increases so that the City would not fall any further behind in competitiveness.

Council Member Lea requested clarification with regard to delaying the pay increases until January 1, 2006, in order to provide an eight per cent increase for Sheriff and Fire/EMS employees. Mr. Stovall responded that the eight per cent pay increase would provide the Sheriff and Fire/EMS employees with the same level of enhanced compensation that was provided to Police Officers in January 2005.

Council Member Lea expressed concern with regard to the majority of City employees at certain grade levels who may be in need of additional financial assistance today, as opposed to January 1, 2006, and inquired as to the number of employees who would be affected by the delay. The City Manager responded that over 40 per cent of the City's work force is in public safety, which will cost approximately \$1 million to address recruitment/ retention issues. In terms of the remaining 60 per cent of City employees, she stated that the majority falls in the category of approximately \$30,000.00 annually, and the City provides a certain amount of funds each year toward employee health coverage.

Vice-Mayor Fitzpatrick made the observation that there will be a better long term gain to the employee as a result of implementing the raise on January 1, 2006, which will be to the benefit of the employee at retirement.

Council Member Cutler inquired if there is a problem with competitive salaries in other City departments such as Planning, Engineering, Parks and Recreation, etc., or has the City created two classes, i.e.: public safety employees and other employees. The City Manager responded that the City surveys all classifications annually to determine competitiveness with certain benchmark communities and adjustments are made accordingly.

Council Member Wishneff inquired about the amount of percentage received from the State Compensation Board for the Sheriff's Department; whereupon, the City Manager advised that the State establishes salaries and classifications for all Constitutional officers and their employees. She added that several years ago, Council voted to place employees of Constitutional officers under the City's Pay and Classification Plan; and almost without exception, the City's Pay Plan pays more than the amount approved by the State Compensation Board for employees within certain classifications. She further advised that an increase approved by the General Assembly provides a greater reimbursement to the locality for the cost of salaries, but the reimbursement does not equal the amount that is paid by the City.

Council Member McDaniel asked about the impact of phasing in pay increases, i.e.: a one per cent pay increase on July 1, 2005, and the remaining three per cent on January 1, 2006. The City Manager responded that if Council approves any type of pay increase, a two per cent increase, effective July 1, 2005, would be suggested as opposed to piecemeal so that the increase can be seen by the employee in its entirety.

Mayor Harris advised that the City has a financial commitment to properly train public safety employees due to their work environment, and the personal risk they take in the line of duty, etc. He called attention to a bronze memorial that is dedicated to fallen police officers, and made the observation that no memorial is dedicated to the memory of employees who have lost their lives in the line of duty in other City departments.

Council Wishneff inquired if a pay increase could be provided in December 2005 for all City employees, excluding public safety employees. Mr. Stovall responded that if a pay increase is provided prior to January 1, 2006, it would be necessary to reduce funding in storm drainage maintenance, enhanced bridge maintenance, fleet replacement, building maintenance, street paving and technology. The City Manager suggested that if Council wishes to grant a pay increase for City employees prior to January 1, 2006, it is requested that staff be given the opportunity to revisit the proposed budget to make recommendations to Council regarding specific adjustments.

There being no further questions/comments, Council Member Cutler moved that Council approve the recommendation of the City Manager to increase the proposed pay raise for all City employees from three per cent to four per cent, and eight per cent for Sheriff and Fire-EMS employees, effective January 1, 2006. The motion was seconded by Vice-Mayor Fitzpatrick and adopted.

Retiree Benefits – Cost of Living Adjustment

The Director of Finance reviewed the following:

- Factors considered in providing an adjustment:
 - Change in consumer price index
 - Increased cost to the pension plan
 - Level of raises provided by similar plans within the State
 - The level of increase provided by Social Security
- Eligible members of the Pension Plan received a 2.1 per cent cost-of-living adjustment on July 1, 2004.
- Association of Municipal Retirement Systems of Virginia Cost of Living Adjustments:

Locality	Proposed FY 06
Arlington	2.70%
Charlottesville	2.00%
Fairfax County – Education	3.00%
Falls Church	1.30%
Newport News	1.85%
VRS	2.70%
Social Security	2.70%

The Director of Finance submitted the following recommendation:

- Provide a 2.25 per cent increase to eligible members of the Pension Plan, effective July 1, 2005;
- Provides for an increase in the average annual retirement allowance of approximately \$273.00 on an annual basis;
- Cost of an additional \$420,999.00 in benefits annually or \$259,000.00 in annual contributions to the Pension Plan; and
- Pro-rata share of annual contributions for the City of Roanoke - \$225,000.00.

Council Member Cutler inquired if employees of the Western Virginia Water Authority were included in the City's Pension Plan; whereupon, the Director of Finance stated that former City employees who transferred to the Water Authority would remain in the City's Pension Plan.

The Director of Finance recommended that Council consider a 2.50 per cent cost-of-living increase for City retirees, effective January 1, 2006, as opposed to a 2.25 per cent increase, effective July 1, 2005.

Vice Mayor Fitzpatrick moved that Council approve a 2.50 per cent cost-of-living increase for City retirees, effective January 1, 2006. The motion was seconded by Council Member Cutler and adopted.

Retiree Benefits - Health Insurance Supplement:

The Director of Finance advised that the City's Pension Plan currently provides a 75 per cent monthly supplement of the amount of health insurance supplement to active employees, or \$221.25 to City retirees with at least 20 years of service until age 65, and the supplement is provided to complement a retiree's pension allowance until Medicare eligibility. He added that employees with 15 years or more of service are allowed to continue health care coverage in the Pension Plan until age 65 by paying a blended premium rate that takes into consideration the premium paid for active employees, rather than a true retiree rate. He noted that previous consideration was given to providing a health insurance supplement to retirees 65 years of age or older; however, due to the cost of maintaining the current level of benefits and providing a cost of living adjustment to retirees, it is not financially prudent at this time to provide the enhanced benefit.

Council Member Wishneff inquired about the benefits of a joint City/School health insurance contract; whereupon, the City Manager called attention to discussions with staff of the Roanoke City School Board and suggested that Council provide the leadership to initiate a regional study regarding creation of a valley-wide health insurance consortium. The City Manager advised that the City of Roanoke has previously expressed a willingness to change the anniversary date for renewal of its health insurance contract from a fiscal year basis to a calendar year basis in order to be in line with other localities.

Without objection by Council, the Mayor advised that the remarks would be received and filed.

Roanoke-Salem Baseball Hall of Fame:

Mr. Stovall reviewed the following:

- A request has been submitted for a contribution for construction of the Roanoke-Salem Baseball Hall of Fame in the City of Salem;

- Anticipated cost of the building is \$350,000.00;
- The City of Roanoke previous donated \$10,000.00.

The City Manager recommended that Council:

- Consider making a donation as a part of the Capital Maintenance and Equipment Replacement Program process.
- Prior to forwarding a donation, a specific amount will be recommended to the Council for approval.

Additional Funding to Cultural Organizations:

- The budget includes approximately \$560,000.00 in funding to cultural agencies.
 - \$335,500.00 is allocated by the Roanoke Arts Commission
- Funding is increased annually based on the growth in discretionary revenue.
- The level of funding provided is more than the anticipated admissions tax revenue of \$465,000.00.

The City Manager advised that the City of Roanoke does not supplement operating programs, and emphasized that all capital needs should have a donor because the program or activity is not strictly a City activity.

Council Member Wishneff suggested that an Arts Cultural District be established, along with a financial incentive for businesses to be located in the district. He spoke in support of implementing the district within the next year.

Vice-Mayor Fitzpatrick indicated that a Business District Plan was created in 1995 and suggested that the Plan be reviewed to determine if a cultural district was included.

Council Member Cutler inquired about the status of funding for completion of the Public Art Plan; whereupon, the City Manager stated that Council authorized an appropriation of \$50,000.00 from the One Percent for the Arts account and it is anticipated that the Plan would be completed within the next 30 – 60 days. She suggested that a Council work session be scheduled in June or July.

OTHER BUSINESS:

Vice-Mayor Fitzpatrick requested clarification as to the availability of funds for services performed by the City's Legislative Liaison to the Virginia General Assembly.

The City Attorney called attention to a decrease in the amount of funds allocated to professional services in the City Attorney's budget. He explained that the account covers expenses of the Legislative Liaison and various expenses incurred by the City with regard to litigation of cases, and the budget of the Legislative Liaison is based upon whether there is a short session or a long session of the General Assembly. He stated that over expenditure occurs in the account because the costs associated with processing litigation claims must be estimated, and litigation costs and Legislative Liaison expenses are funded through the same account. Therefore, he requested the assurance of Council that funds will be approved in the event of a shortfall of funds in the City Attorney's professional services account.

Vice-Mayor Fitzpatrick stated that due to the importance of services provided by the City's Legislative Liaison, Council would support requests for additional funds to be allocated to the City Attorney's budget.

Domestic Violence

Council Member Wishneff inquired if the City has the necessary resources to address domestic violence; whereupon, the City Manager responded that the biggest challenge to the City does not relate to resources, but to education. In an attempt to educate, she stated that information on domestic violence has been forwarded to local churches for distribution within the various communities.

Council Member Wishneff inquired if there are legal solutions to domestic violence; whereupon, the City Manager advised that she would meet with the Chief of Police to determine if there are legislative solutions that would allow for a different level of intervention by police officers.

The Assistant City Manager for Community Development advised that the Police Department will work with School Resource Officers at the two high schools to educate youth with regard to appropriate behavior and programs will be instituted at branch public libraries in the various neighborhoods.

Vice-Mayor Fitzpatrick suggested that the Mayor, the City Manager, the Chair of the Roanoke City School Board and the Superintendent of Schools discuss a curriculum to change the cycle of domestic abuse beginning at the elementary school level.

Downtown Parking:

Council Member Wishneff expressed concern with regard to the number of persons working in the downtown Roanoke area who do not have adequate parking, and advised that an aggressive effort should be made to bring monthly parkers downtown during business hours. He suggested that the City consider a decrease in monthly parking rates in parking garages/parking lots owned by the City of Roanoke.

The City Manager advised that the City's parking garages charge a uniform parking rate of \$65.00 per month for an unreserved space and \$85.00 per month for a reserved space, and the rates have been in effect for several years. She added that the City of Roanoke's parking rates are lower than private sector rates, with the exception of surface parking lots located on Day Avenue, S. W.

The City Manager further advised that the City provides discounts to large volume business users and offers discounts if the employer chooses to pay parking on a type of blanket basis. She noted that staff reviews parking, as well as what can be done to accommodate a new business or prospective business that contacts the City, as to the availability of parking and whether or not the City can offer a discounted parking rate.

Council Member Wishneff suggested an across the board parking rate discount to be used by Downtown Roanoke, Inc., as a recruiting tool to encourage more people to visit the downtown area.

The City Manager advised that if the Council wishes to give consideration to an adjustment in parking rates, the issue needs more detailed discussion by Council including additional information to be provided by City staff inasmuch as the parking fund is a self-supporting fund and if rates are reduced on a city-wide or system-wide basis, the Parking Fund would have to be subsidized. She added that maintenance activities are built into the Parking Fund in order to keep the City-owned garages in good condition; and within approximately two years, two new garages will be constructed that will require activity to support the cost of debt service.

Council Member Wishneff inquired if the City has an annual contract with Downtown Roanoke, Inc.; whereupon, the City Manager advised that Downtown Roanoke is funded through a Downtown Service Fund that was created approximately nine years ago and the contract is scheduled for renewal in 2006. She further advised that the only funding provided by the City beyond the Service Fund is the traditional ten cents on the tax rate that the City collects and thereafter distributes to Downtown Roanoke on a quarterly basis; and the City provides Downtown Roanoke with \$10,000.00 toward expenses incurred for the Dickens of a Christmas activities (primarily the parade) and Downtown Roanoke, Inc., manages the Farmer's Market and is responsible for collecting and retaining rental fees.

Mayor Harris suggested that Council engage in a work session to discuss issues regarding downtown Roanoke, i.e.: what can the City do to attract people to downtown and development of a strategy to increase parking in downtown Roanoke. Vice-Mayor Fitzpatrick suggested that the briefing should also include the downtown study of the City Market area.

The City Manager advised that since the matter requires additional discussion, it is suggested that the work session be held after the appointment of a new Director of Economic Development, and following discussions by the Director of Economic Development and the Acting Executive Director of Downtown Roanoke, Inc., regarding issues pertaining to the downtown area.

EventZone:

Council Member Cutler inquired about the City's relationship with EventZone; whereupon, the City Manager advised that the City of Roanoke provides approximately \$170,000.00 to EventZone, which was created as a result of Festival in the Park and the City's Special Olympics.

Oliver White Hill Foundation:

Council Member Lea inquired about the status of measures to preserve the Oliver White Hill house; whereupon, the City Manager advised that a specific request for funds from the Oliver White Hill Foundation was not received for the fiscal year 2006 budget development process. She further advised that during the 2005 budget cycle for Community Development Block Grant funds, the City received a request from the Oliver White Hill Foundation, in the amount of \$150,000.00, for what was identified as Phase I of the project, which involved property acquisition, architectural design, exterior repairs, and handicap accessibility; and the initial plan of the Foundation was to convert the property, which is currently occupied by two families, into a multi-use structure with a civil rights center to be located in the basement and on the first floor, and two rental units on the second floor level.

The City Manager stated that staff did not recommend CDBG funding in last year's budget cycle due to a concern that the project would not meet eligibility requirements for Community Development Block Grant funding and the City could not document either the creation of jobs or that the majority of patrons of the facility would be in the low-moderate income category. She further stated that in communicating the City's position to the Foundation, it was explained that the City would consider funding a portion of the project through the Capital Maintenance and Equipment Replacement Program; however, to date, the Foundation has not demonstrated the ability to raise funds for a portion of acquisition costs or for rehabilitation of the property.

The City Manager stated that she met with representatives of the Virginia Law Foundation who expressed an interest in contributing financially to the project; however, no response has been received from the Oliver White Hill Foundation. She advised that funding should be predicated on a matching funds program similar to the Dumas Center, the Grandin Theatre, and Mill Mountain Theatre.

Mayor Harris suggested that he and Council Member Lea meet with business leaders in the African American community in an informal setting to discuss issues surrounding the historic section of Gilmer Avenue which may prompt an existing organization to partner with the City of Roanoke to develop the project. Mayor Harris also suggested that he and Council Member Lea work with City staff on development of a business plan. Council Member Cutler referred to other historic landmarks within the northwest community, such as the Harrison Museum of African American Culture, the Martin Luther King, Jr. Bridge, and the Dumas Hotel and suggested that discussions be held with the community with regard to creating a larger district that could lead to increased financial support for the area.

First Street Bridge

Council Member McDaniel inquired about the status of the First Street Bridge; whereupon, the City Manager advised that signs have been installed, and the Federal Government has awarded the City \$500,000.00 which can be used for the bridge itself and other planned amenities. She stated that Hayes, Seay, Mattern and Mattern was the sole bidder responding to the City's Request for Proposal to develop bridge design; and it is anticipated that the Federal Government will approve design of the pedestrian bridge by early fall. She added that a detailed construction schedule would be included in the Council Update. Council Member Cutler suggested that a progress report also be forwarded to the First Street Bridge Committee.

Contribution Toward Ongoing Efforts at Smith Mountain Lake:

The City Manager called attention to a communication from the Franklin County Administrator requesting that the Cities of Roanoke and Salem and Roanoke County contribute \$10,000.00, each, to Franklin County to address ongoing efforts to clean-up Smith Mountain Lake; and in 2004, the City received a similar request from the Tri-County Group and the Western Virginia Water Authority made a contribution on behalf of the City of Roanoke and Roanoke County.

The City Manager explained that as part of the consent decree agreement between the Water Authority and the Department of Environmental Quality, the Water Authority will continue to make contributions to the Tri-County Group, which is a citizen-based organization. She added that the Water Authority does not intend to make a contribution to Franklin County, which is responsible for a majority of the cost to clean-up Smith Mountain Lake; therefore, she recommended that \$10,000.00 be approved by Council and forwarded to Franklin County to be used toward clean-up efforts at Smith Mountain Lake.

Roanoke River Update

Council Member Cutler inquired about the appointment of a River Keeper for the Roanoke River; whereupon, the City Manager advised that an update will be presented at the Council's Work Session on June 6, 2005, regarding a plan of action for management of the Roanoke River.

CLOSING COMMENTS:

Pay for Performance Increase

The City Manager advised that a communication would be forwarded to all City employees outlining the Council's decision with regard to the compensation issue and outlining the deliberation of Council as it struggled to make a difficult decision.

Proposed Budget Stabilization Reserve Policy

The Director of Finance called attention to previous discussion by Council at the Financial Planning Session on February 18, 2005, with regard to establishment of a Budget Stabilization Reserve Policy. He stated that enactment of the Policy will be beneficial in the City's continued commitment to long-term financial planning; and the Government Finance Officers Association and other organizations recommend that local governments develop and adopt financial management policies as components of their financial management systems.

The Director of Finance advised that the proposed reserve policy is intended to demonstrate a commitment to long term financial planning; and reserve policies continue to receive a greater emphasis from bond credit rating agencies as financial stress increases for local governments. He further advised that the reserve policy would be used in conjunction with the City's other financial policies to help ensure financial stability and protection of the City of Roanoke's "double-A" bond rating credit quality; and guidelines will be established to maintain the Budget Stabilization Reserve Policy, which is referred to as a "rainy day fund".

Mr. Hall indicated that the Capital Maintenance and Equipment Replacement Program Policy is in conflict with the proposed Budget Stabilization Reserve Policy; therefore, it will necessary to amend the City Code inasmuch as the intent of the CMERP ordinance will no longer be needed.

The Director of Finance advised of the need for an economic and community development reserve to provide a supplement to economic and community development funds that are included in the City's Capital Improvement Program. He explained that the City has historically funded certain capital improvement programs on a cash basis, and the Economic and Community Development Reserve would provide a source of funding which would create flexibility to cash fund unforeseen opportunities that may arise in areas of economic development and community development. He stated that the proposed Economic and Community Development Reserve Policy is intended to demonstrate a commitment to financial planning for economic and community development projects which may provide future growth opportunities and expansion of Roanoke 's tax base.

In the interest of continuing and promoting sound financial decisions, the Director of Finance recommended that Council take the following actions at its meeting on Tuesday, May 10, 2005:

Adopt a Budget Stabilization Reserve Policy;

Modify the Debt Service Policy to reflect the impact of the proposed Budget Stabilization Reserve Policy;

Repeal the Capital Maintenance and Equipment Replacement Program which conflicts with the Budget Stabilization Reserve Policy; and

Create an Economic and Community Development Reserve Policy

Announcements

Vice-Mayor Fitzpatrick announced that the Flat Car located at the Railwalk will be used for the Chili Cook-off Annual Festival on May 7, 2005. He stated that the Flat Car would ultimately become the main stage when construction commences on the new Art Museum.

There being no further business, at 11:45 a.m., the Mayor declared the meeting in recess until Tuesday, May 10, 2005, for the purpose of adopting the 2005-2006 fiscal year budget for the City of Roanoke.

The Council of the City of Roanoke reconvened on Tuesday, May 10, 2005, at 2:00 p.m., in the Roanoke City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, with Mayor C. Nelson Harris presiding.

PRESENT: Council Members M. Rupert Cutler, Alfred T. Dowe, Jr., Beverly T. Fitzpatrick, Jr., Sherman P. Lea, Brenda L. McDaniel and Mayor C. Nelson Harris---6.

ABSENT: Council Member Brian J. Wishneff-----1.

The Mayor declared the existence of a quorum.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

The invocation was delivered by Vice-Mayor Beverly T. Fitzpatrick, Jr.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Harris.

BUDGET: The Mayor advised that the purpose of the meeting was to adopt measures enacting the City of Roanoke's 2005-2006 fiscal year budget.

The Mayor announced that Council would consider a revised pay ordinance granting all City employees a three per cent pay increase, effective July 1, 2005 instead of January 1, 2006; and an additional increase of four per cent would be allotted to public safety employees, commencing January 1, 2006. He explained that in January 2005, Council authorized a four per cent increase for the Police Department to help with recruitment and retention initiatives, and when the action was taken, it was understood that the Council was temporarily breaking a type of pay parity or pay equalization among the City's public safety departments, i.e.: Police Department, Fire/EMS Department, and the Sheriff's Department. He called attention to discussions with a number of City employees who support a general pay increase of three per cent commencing on July 1, 2005, as opposed to a four per cent increase effective January 1, 2006; therefore, after conferring with the Members of Council, the City Attorney was requested to prepare revised measures for the Council's consideration.

The Mayor advised that Council would also consider authorizing a 2.25 per cent cost-of-living increase for City retirees, effective July 1, 2005, instead of a 2.50 per cent increase effective January 1, 2006.

The Mayor stated that Council values and appreciates the work of all City employees, it was not the intent of Council to pit or to promote one group of City employees over and above another group, and no Member of Council intended to imply that public safety employees are more committed or more dedicated to their jobs than other City employees. He advised that earlier in the day he met with Reed P. Cotton, Jr., the son of a former City employee, who lost

his life in a tragic accident in the line of duty to express appreciation for the 20+ years of service that his father gave to the Roanoke community as an employee in the Solid Waste Management Department. He explained that Council met in fiscal year 2005-2006 budget study on Wednesday, May 4, 2005, and diligently addressed numerous budget related issues over a period of four to five hours; and pointed out that information provided by the news media as it relates to Council meetings does not always accurately reflect the full discussion by Council on certain issues.

INTRODUCTION AND CONSIDERATION OF ORDINANCES AND RESOLUTIONS:

BUDGET: A Certificate of funding submitted by the Director of Finance advising that funds required for the 2005-2006 General Fund, Civic Facilities Fund, Parking Fund, Market Building Fund, Department of Technology Fund, Fleet Management Fund, Risk Management Fund, School Fund, School Food Services Fund, and Grant Fund budgets will be available for appropriation, was before Council.

Without objection by Council, the Mayor advised that the Certificate of Funding would be received and filed

BUDGET-PARKS AND RECREATION-FEE COMPENDIUM-LIBRARIES: The City Manager submitted a communication advising that in developing the budget for fiscal year 2005-06, departments were asked to review their fee structures and, where feasible, propose fee schedule (compendium) changes that focus on recovering the cost of providing services.

It was further advised that the recommended fiscal year 2005-2006 budget incorporates proposed fee structure changes for Elmwood Park Amphitheater rental, mobile stage rental, outdoor pool entrance, fitness centers, library copy fees, rental inspection fees, asbestos removal permit fees, manufactured homes and modular buildings permit fees, tent and membrane structure permit fees and temporary certificate of occupancy renewal fees.

Elmwood Park Amphitheater Fee

Currently, the charge for rental of the Elmwood Park Amphitheater is \$150.00 per day assessed to any organization utilizing the facility. The proposed fee will increase the current charge to \$250.00.

Mobile Stage Fee

Parks and Recreation currently charges a fee in a two-tier structure: \$600.00 per day for 501(c) organizations not charging admission and \$900.00 per day for events charging admission. The proposed fee will increase the charge as follows: \$900.00 per day for 501(c) organizations not charging admission and \$1,200.00 per day for events charging admission.

Outdoor Pool Entrance Fee

The entrance fee for outdoor pools has not been increased in more than 10 years. Currently, the entrance fee is \$1.00 for youth and \$2.00 for adults. The proposed increase will result in the following entrance fee structure: \$2.00 for youth and \$3.00 for adults.

Fitness Center Fees

Currently, Parks and Recreation administers a two-tier fee structure for both monthly and daily fitness center memberships. Residents are assessed a fee of \$4.00 for daily membership and \$15.00 for monthly memberships; and non-residents are assessed a fee of \$5.00 for daily membership and \$22.00 for monthly memberships. The proposed fee adjustments will result in the following fee structure: Residents - \$5.00 for daily membership and \$18.00 for monthly membership; non-residents - \$6.00 for daily membership and \$25.00 for monthly membership.

Library Copy Fee:

The Library currently charges \$0.10 for each single copy made in the public library system. The proposed increase to \$0.15 for each single copy will more appropriately align the fee with the actual cost assessed to the library for offering the service to library patrons.

Rental Inspection Fee:

Currently, Housing and Neighborhood Services charges a fee of \$75.00 for the initial inspection as well as periodic inspections. Subsequent follow-up visits are charged at a rate of \$35.00 each. A fee of \$25.00 will be levied for the initial and periodic rental inspections. Follow-up compliance inspections will be levied at a rate of \$50.00 each.

Asbestos Removal

Currently, the permit for the removal of asbestos is issued based on valuation of the project. The proposed fee adjustment will institute a flat fee of \$45.00 per certificate.

Manufactured Homes and Modular Buildings

At present, the building permit is issued with the fee being determined based on valuation of the property. The proposed adjustment will result in a building permit being issued based on the structure: \$75.00-single wide, \$100.00-double wide, and \$125.00-triple wide.

Tent and Membrane Structures

At present, building permits are issued for the erection of tent and membrane structures over 900 square feet at a cost based on the value of the structure or the rental fee for the structure. The proposed adjustment will result in those permits being issued at a flat cost of \$50.00 each.

Temporary Certificate of Occupancy Renewal

Currently, residents are issued renewal Temporary Certificates of Occupancy without a fee; a fee structure for renewal is recommended. The first renewal certificate will be issued for a fee of \$75.00, and subsequent renewal certificates will be issued at a fee of \$125.00 each.

The City Manager recommended that Council adopt a resolution and amend the City's Fee Schedule (Compendium) to reflect changes in the above referenced fees, effective July 1, 2005.

Council Member Dowe offered the following resolution:

(#37043-051005) A RESOLUTION amending the City's Fee Compendium to provide for revised fees for use of City park facilities and services and for new and revised inspection fees in order to update current fees and promote uniformity with fees charged by the City and surrounding localities; and providing for an effective date.

(For full text of resolution, see Resolution Book No. 69, Page 371.)

Council Member Dowe moved the adoption of Resolution No. 37043-051005. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Vice-Mayor Fitzpatrick offered the following resolution:

(#37044-051005) A RESOLUTION amending the City's Fee Compendium to provide for revised fees for use of City park facilities and services and for new and revised inspection fees in order to update current fees and promote uniformity with fees charged by the City and surrounding localities; and providing for an effective date.

(For full text of resolution, see Resolution Book No. 69, Page 373.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37044-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-CITY CODE-TAXES: The City Manager submitted a communication advising that in March 2000, as part of the Financial Planning Work Session, Council began planning for future capital projects, including the renovation of Patrick Henry High School; as a part of the planning process, Council agreed to begin setting aside \$570,000.00 in debt service funding on an annual basis to build debt capacity for future projects; and the strategy included building the necessary capacity to support the City of Roanoke's share of the Patrick Henry High School project.

It was further advised that at its next Financial Planning Work Session in March 2001, Council continued to plan for and to discuss capital projects, including the renovation of William Fleming High School, at a projected cost of \$40 million; while there was support to provide the City of Roanoke's share of \$20 million for the project, it was recognized that a new revenue source would be needed to support debt service; and as a result of subsequent planning efforts and discussion, an increase in the Prepared Food and Beverage Tax was identified as the potential funding source for the City of Roanoke's share of the William Fleming High School project.

It was explained that an analysis of the amount of debt service funding required in fiscal year 2009, after issuance of bonds for the William Fleming High School project, indicates that additional funding of approximately \$1.1 million will be needed to fully fund the City's share of the project; a proposed increase in the Prepared Food and Beverage Tax from four per cent to five per cent compares to an All Virginia Cities average of 4.9 per cent and a 5.9 per cent average for Virginia First Cities Coalition jurisdictions; and the comparison is based on tax rate information for 2004 provided by the Weldon Cooper Center for Public Service.

The City Manager advised that the proposed increase in the Prepared Food and Beverage Tax from four per cent to five per cent will result in additional revenue of approximately \$2.1 million dollars; one half of the incremental revenue will be used for debt service funding that will be needed to

support the William Fleming High School project, with the remaining portion to be used to address recurring operating expenses in the General Fund; and the Prepared Food and Beverage Tax is, in essence, a tax that is paid by those who choose to dine out and people outside of the City of Roanoke who elect to take advantage of the many restaurants in the City.

The City Manager recommended that Council adopt an ordinance amending Section 32-284 of the City Code to increase the Prepared Food and Beverage Tax to five per cent, effective July 1, 2005.

Council Member Dowe offered the following ordinance:

(#37045-051005) AN ORDINANCE amending §32-284, Levy of tax; amount, Article XIV, Tax on Prepared Food and Beverage, Chapter 32, Taxation, of the Code of the City of Roanoke (1979), as amended, by increasing the tax rate on prepared food and beverages from four percent (4%) to five percent (5%), providing for an effective date; and dispensing with the second reading by title paragraph of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 374.)

Council Member Dowe moved the adoption of Ordinance No. 37045-051005. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

CITY MARKET-BUDGET-ROANOKE CIVIC CENTER-GRANTS-
COMMUNICATIONS DEPARTMENT-SCHOOLS-FLEET MAINTENANCE FUND-RISK
MANAGEMENT FUND: Vice-Mayor Fitzpatrick offered the following revised budget ordinance:

(#37046-051005) AN ORDINANCE adopting the annual General, Civic Facilities, Parking, Market Building, Department of Technology, Fleet Management, Risk Management, School, School Food Services and Grant Funds Appropriations of the City of Roanoke for the fiscal year beginning July 1, 2005, and ending June 30, 2006; and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 375.)

Vice-Mayor Fitzpatrick moved the adoption of Ordinance No. 37046-051005. The motion was seconded by Council Member Cutler.

The City Manager was requested to clarify the revised ordinance; whereupon, she advised that in order to make the necessary adjustments to provide for a three per cent pay increase for City employees, effective July 1, 2005 instead of January 1, 2006, City staff was instructed to identify additional sources of funds to make up the difference. She called attention to three accounts that were previously recommended for funding in the fiscal year 2005-2006 budget, but were subsequently reduced in order to provide the necessary funds for a three per cent pay increase for City employees effective July 1, 2005; i.e.: Storm Water Management, Bridge Maintenance and Traffic Signal Replacement, and advised that incremental improvements in Fleet Replacement, Building Maintenance, Technology, and Street Paving will be left intact.

Ordinance No. 37046-051005, as revised, was adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

POLICE DEPARTMENT-PAY PLAN-BUDGET-FIRE DEPARTMENT-COMMITTEES-CITY SHERIFF-PENSIONS: Council Member Cutler offered the following revised ordinance:

(#37047-051005) AN ORDINANCE to adopt and establish a Pay Plan for officers and employees of the City, effective July 1, 2005; providing for certain salary adjustments and merit increases; authorizing annual salary increments for certain officers and employees for use of private motor vehicles; authorizing annual salary increments for sworn police officers assigned to the Criminal Investigation Division; authorizing annual salary increments for certain members of the Fire-Emergency Medical Services Department who are certified as Emergency Medical Technicians; authorizing annual salary increments for certain members of the Fire-Emergency Medical Services Department who are members of the Regional Hazardous Materials Response Team; providing for continuation of a police career enhancement program; providing for continuation of a Firefighter/Emergency Medical Technician merit pay program; providing for a Community Policing Specialist program; providing for payment of a monthly stipend to certain board and commission members; providing for an increase in base annual salary for any employee of the Sheriff who meets the

qualifications for and has been appointed Master Deputy Sheriff; repealing, to the extent of any inconsistency, Ordinance No. 36693-051304, adopted May 13, 2004, as amended by Ordinance No. 36935-010305, adopted on January 3, 2005, except for Paragraph 17 thereof, relative to the annual salaries of the Mayor, Vice-Mayor, and Council members; providing for the salaries of the City's Constitutional Officers; providing for an effective date; and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 383.)

Council Member Cutler moved the adoption of Ordinance No. 37047-051005. The motion was seconded by Vice-Mayor Fitzpatrick.

Joyce Conner, a City employee, read a communication from Reed P. Cotton, Jr., 1408 Fresno Street, N. W., an employee of the Solid Waste Management Department. Mr. Cotton advised that he was concerned about the double raise that was proposed for public safety employees, and according to an article in *The Roanoke Times*, job peril was cited as justification for the raise. He stated that his father, Reed P. Cotton, Sr., was the last City employee to die in the line of duty and although he was not a public safety employee, he asked if his father's life as a Solid Waste Management employee for over 22 years was not as important as those public safety employees who have lost their lives in the line of duty. He requested that Council consider the impact that a selective double raise will have on the 60 per cent of City employees who are not public safety personnel, because not only is the proposed raise a public showing of favoritism, it will give six months of his hard earned salary increase to a group of employees who already earn more than the average Solid Waste Management employee. He asked that Council withdraw its support for the selective double raise for public safety employees, and advised that all City employees should receive a raise, as opposed to a select group of public safety employees.

Donald Maddox, 3540 Melcher Street, S. E., a City employee, expressed appreciation to Council for considering a revised measure that will allow a three per cent raise for all City employees, effective July 1, 2005. He concurred in the need for a pay increase for employees in the Police Department and the Sheriff's Department, but expressed concern on behalf of the other 60 per cent of good and dedicated City employees, many of whom also work under dangerous conditions.

Eddie Bobbitt, 1146 Ferrell Drive, Wirtz, Virginia, a City employee, also expressed appreciation to Council for considering a revised ordinance authorizing a three per cent pay increase for all City employees, effective July 1, 2005. He stated which it is understood that the City's public safety employees work under stressful conditions, but his job as an equipment mechanic is just as stressful inasmuch as he is charged with the responsibility of maintaining the City's fleet of vehicular equipment which is used by public safety employees, public works employees, and solid waste management employees, etc.

Robert Gravely, 729 29th Street, N. W., advised that those City employees who earn the least amount of wages should receive the highest pay increase. He stated that the City's pay scale should be upgraded due to increases in insurance such as Anthem Blue Cross/Blue Shield, Delta Dental and Aflac. In addition to public safety employees, he called attention to unsafe working conditions for other City employees and asked that all City employees be treated equally and fairly.

Brenda S. Hamilton, 4505 Biltmore Drive, N. W., Clerk of the Circuit Court, expressed appreciation to Council for considering a revised pay increase of three per cent for all City employees, effective July 1, 2005. She advised that the 22 members of her staff looked forward to a three per cent pay increase. She stressed the importance of looking at all City employees as a group and that public safety employees not be singled out as the elite few because all City employees strive to serve the needs of the citizens of the City of Roanoke. She asked that the City's pay scale be reviewed and upgraded.

George M. McMillan, 5034 Oakley Avenue, S.W., City Sheriff, expressed appreciation to Council for awarding a three per cent increase to all City employees, effective July 1, 2005 as opposed to January 1, 2006. He stated that it is known that it was not the intent of Council to pit one employee group against another.

Council Member Lea expressed appreciation to the Mayor for his leadership in resolving the City employee pay increase issue. He also expressed appreciation to Sherman L. Stovall, Director of Management and Budget, for responding to his questions in a timely manner and for helping him to better understand the City's budget process.

Council Member Dowe expressed appreciation to all City employees for their service to the City of Roanoke. He, too, expressed appreciation to the Mayor for his leadership in resolving the pay increase issue and also expressed appreciation to the City's budget team for its efforts to prepare a budget that will move the City of Roanoke forward within the confines of its resources.

Ordinance No. 37047-051005, as revised, was adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-PENSIONS: The Director of Finance and the City Manager submitted a joint communication advising that retirees of the City of Roanoke Pension Plan (the Plan) are awarded cost-of-living adjustments (COLA) on an ad hoc basis by Council; the Plan does not include a provision for an automatic COLA due to the significant actuarial cost and related increase in contribution rates; thus, COLA's are not pre-funded in the Plan, but rather the increased cost is recognized when the increase has been awarded; factors considered as part of the recommendation for an annual adjustment include a change in the Consumer Price Index, increased cost to the Plan, the amount of raises provided by similar plans within the state, and the amount of increase provided by Social Security; eligible members of the City of Roanoke Pension Plan received a 2.1 per cent cost-of-living adjustment on July 1, 2004, which was the ninth consecutive COLA provided to eligible retirees; and the Recommended Budget for fiscal year 2006 includes a four per cent raise for active employees, effective January 1, 2006.

It was further advised that the required contribution rate for the pension plan to fund the current level of benefits will increase for fiscal year 2006 from 9.56 per cent to 12.61 per cent of payroll; additional cost to the General Fund is approximately \$1,600,000; a proposed 2.50 per cent increase to eligible members of the Plan, effective January 1, 2006, will increase the average annual retirement allowance by approximately \$303.00, costing the Plan an additional \$467,671.00 in benefits annually; the actuarial cost of a 2.50 per cent COLA is estimated at \$4.4 million to be funded over the next 20 years through the annual payroll contribution rate which results in an increase of approximately \$287,700.00 in annual contributions to the Plan; all City operating funds, along with the Roanoke Regional Airport Commission, School Board, Roanoke Valley Resource Authority, Roanoke Valley Detention Commission, Western Virginia Water Authority, and the Commonwealth of Virginia will assume their pro rata cost for funding the COLA; and the City's pro rata share of the increase is approximately \$250,000.00.

It was explained that the recommended increase will apply to those retirees who retired on or before July 1, 2004, i.e.: those retirees who have been retired for at least one year; approximately 1,541 of the 1,595 retirees, or 97 per cent of those receiving benefits as of March 31, 2005, will be eligible for the increase; and the increase will also apply to a member's or surviving spouse's annual retirement allowance, excluding any incentive payments made under the Voluntary Retirement Incentive Program established by Ordinance No. 30473-41591, adopted April 15, 1991, or to the retirement supplement paid according to Section 22.2-61 of the City Code.

It was advised that a request was also referred to budget study to consider providing a supplemental allowance for health insurance for City retirees who are 65 years of age or older; the Plan currently provides a monthly supplement of 75 per cent of the amount of health insurance supplement provided to active employees, or \$221.25 to retirees with at least 20 years of

service until age 65; the supplement is provided to complement the pension allowance until Medicare eligibility; upon reaching Medicare eligibility, retirees are eligible to begin receiving both hospital and medical benefits; and a new drug benefit program beginning in January 2006, Medicare Part D, will assist with outpatient prescription drugs.

The Director of Finance and the City Manager recommended that Council adopt an ordinance granting a 2.50 per cent COLA for eligible retirees, effective January 1, 2006 coincident with the recommendation of the effective date of salary increases for active employees; consideration was given to the request by the Retirement Association for a supplemental allowance for health insurance for retirees 65 and older; and due to the significant increase in contributions required to sustain the current level of benefits and to provide a COLA, no benefit changes are recommended that would result in additional funding requirements for the pension plan.

The Mayor having previously announced that the Council would consider a 2.25 per cent cost-of-living increase for City of Roanoke retirees, effective July 1, 2005, as opposed to a 2.50 per cent increase, effective January 1, 2006, Council Member Cutler offered the following revised ordinance:

(#37048-051005) AN ORDINANCE providing for certain supplemental benefits under the City of Roanoke Pension Plan to certain members of such Plan and certain of their surviving spouses; providing for an effective date; and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 387.)

Council Member Cutler moved the adoption of Ordinance No. 37048-051005 as revised. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-CAPITAL IMPROVEMENT PROGRAM: The City Manager submitted a communication advising that the Capital Improvement Program (CIP) for fiscal years 2006-2010 is a plan recommended for approval by Council for capital expenditures to be incurred over the next five years in order to address priority long-term capital needs of the City of Roanoke; and the CIP reflects the current status of projects which have previously been approved and funded by Council and is a revision to the fiscal years 2005-2009 Capital Improvement Program approved by Council on May 13, 2004.

It was further advised that on April 18, 2005, Council received the proposed Capital Improvement Program for fiscal years 2006-2010 as part of the Recommended Resource Allocation Plan; the Capital Improvement Program Summary Section of the document provides a summary of projects; and the Capital Improvement Program for fiscal years 2006-2010 is comprised of capital projects, with an estimated cost of project completion totaling \$257,922,677.00.

It was further advised that during the Financial Planning Work Session in February 2005, Council was briefed on the need for short-term financing in the amount of \$2.6 million to support the Financial Application Integration project; the project includes replacement of the City's financial systems and replacement of the accounting, tax/treasury, budget preparation, and human resource/payroll system applications; the need for financing is based on the cash flow to support the planned staging of projects; sufficient funds are budgeted in the Technology Fund to support the required level of debt service; and authorization to hold a public hearing to issue bonds to support the project is requested.

It was explained that on May 2, 2005, Council authorized execution of an option agreement for the purchase of the Countryside Golf Course at a cost of \$4.1 million; funding for acquisition of the property will come from the issuance of bonds; moving forward with the project may require the planned issuance of bonds for the planned Multipurpose Recreation Center to be shifted beyond fiscal year 2008; with the option fee of \$125,000.00 credited to the purchase cost, net funding of \$3,975,000.00 will be required; authorization to hold a public hearing to issue bonds to support the project is also requested; and bonds will be issued during fiscal year 2005-2006 for the following projects:

Previously Authorized

• Riverside Center	\$ 5,500,000.00
• Civic Facilities Expansion and Renovation	\$ 6,405,000.00
• Patrick Henry High School	\$21,750,000.00
• Fallon Park Elementary School	\$ 1,600,000.00
• Westside Elementary School	\$ 3,850,000.00

To Be Authorized

• Art Museum	\$ 3,700,000.00
• Downtown West Parking Garage	\$ 2,600,000.00
• Financial Application Integration	\$ 2,600,000.00
• Countryside Golf Course	\$ 3,975,000.00

The City Manager recommended that Council adopt a resolution endorsing an update to the CIP; authorize a public hearing to be held on June 20, 2005, for issuance of General Obligation Bonds for the Art Museum (\$3,700,000.00), Downtown West Parking Garage (\$2,600,00.00), Financial

Application Integration (\$2,600,000.00), and Countryside Golf Course (\$3,975,000.00); and appropriate \$3,204,476.00 included in the fiscal year 2005-2006 Transfer to Capital Projects, Account No. 001-250-9310-9508, to the respective capital project accounts established by the Director of Finance for the following projects:

- \$150,000.00 to Capital Project, Account No. 008-530-9552, for Bridge Maintenance
- \$40,000.00 to Capital Project, Account No. 008-530-9823, for Police Academy Building
- \$199,274.00 to Capital Project, Account No. 008-530-9736, for Stormwater Management
- \$310,000.00 to Capital Project, Account No. 008-530-9575, for Transportation Projects
- \$217,184.00 to Capital Project, Account No. 008-056-9620, for Roanoke River Flood Reduction
- \$250,000.00 for Capital Project, Account No. 008-530-9845, for Concept Design Courthouse Expansion
- \$250,000.00 for Capital Project, Account No. 008-530-9799, for Streetscapes and Traffic Calming
- \$150,000.00 for Capital Project, Account No. 008-440-9860, for Jail HVAC Design
- \$235,000.00 for Capital Project, Account No. 008-615-8114, for the Roanoke Redevelopment and Housing Authority
- \$1,403,018.00 to Capital Project Contingency, Account No. 008-530-9575, for prioritized projects; and

appropriate \$1,100,000.00 of residual equity from the close-out of Water and Sewer funds to:

- Carvins Cove Management Plan, Account No. 008-620-9825 \$90,000.00
- Equipment Replacement, Account No. 017-440-2642 \$450,000.00
- Technology Projects, Account No. 013-430-1602 \$450,000.00
- Capital Project Contingency, Account No. 008-530-9575 \$110,000.00

Council Member Dowe offered the following budget ordinance:

(#37049-051005) AN ORDINANCE to appropriate funding from the General and Capital Projects Funds for various capital improvement projects, amending and reordaining certain sections of the 2005-2006 Capital Projects, Department of Technology, and Fleet Management Funds Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 389.)

Council Member Dowe moved the adoption of Ordinance No. 37049-051005. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Vice-Mayor Fitzpatrick offered the following resolution:

(#37050-051005) A RESOLUTION endorsing the update to the Capital Improvement Program submitted by the City Manager by letter of May 10, 2005.

(For full text of resolution, see Resolution Book No. 69, Page 390.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37050-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-GRANTS-HOUSING/AUTHORITY: The City Manager submitted a communication advising that in order to receive Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and Emergency Shelter Grant (ESG) funding, the City of Roanoke must submit a five-year Consolidated Plan and Annual Updates to the U. S. Department of Housing and Urban Development (HUD); and the current five-year Consolidated Plan for the City of Roanoke will expire on June 30, 2005.

It was further advised that at the April 4, 2005 Council briefing, Council received a Summary of the Draft 2005-2010 HUD Consolidated Plan, which detailed priorities and objectives for the five-year period and the uses of funds recommended for fiscal year 2005-2006, the first year of the plan; Council also received a draft of the Gainsboro Neighborhood Revitalization Strategy Area (NRSA) plan, which is a supplement to the five-year Consolidated Plan; the Draft 2005-2010 Consolidated Plan was made available for public review and comment for a 30-day period, beginning April 4, 2005; as part of the review,

the draft plan was provided to Roanoke County, Salem, Vinton, and Botetourt County for comments which might assist the City in preparing the plan; opportunities for citizen input were provided at four public hearings which were held on September 23 and November 4, 2004, March 31 and April 28, 2005; in addition, information regarding availability of the plan for public review was sent to each member of the Roanoke Neighborhood Advocates (RNA); the five-year Consolidated Plan must be received by HUD on May 16, 2005, in order for the City's HUD fiscal year to begin on July 1, 2005; and funding for fiscal year 2005-2006, the first year of the new plan, would be available from the following sources:

New HUD Entitlements	\$2,909,053.00
Estimated Program Income	483,051.00
Estimated Carry-over	<u>711,514.00</u>
Subtotal	\$4,103,618.00

It was explained that it is estimated that the \$4.1 million in HUD funds as above referenced will leverage or otherwise be combined with as much as an additional \$5.4 million in other public and private funding; therefore, total estimated investment in activities included in the Annual Update is approximately \$9.5 million; priorities and objectives of the new five-year plan incorporate adjustments in the distribution of CDBG funds under the City's HUD Funds Policy, on which Council was briefed in September 2004; during the five-year period, priorities and objectives are structured to distribute 57 per cent of the CDBG funds to housing, 22.5 per cent to economic development, ten per cent to human services, ten per cent to neighborhood development and 0.5 per cent to homeless services; and including HOME, which is entirely for affordable housing assistance, and ESG, which is entirely for homeless services, almost two-thirds of the resources will be directed toward housing development.

The City Manager recommended that Council approve the 2005-2010 Consolidated Plan and that she be authorized to submit the plan to HUD for final review and approval, including execution of all necessary documents pertaining thereto, such documents to be approved as to form by the City Attorney; and that Council adopt the revised HUD Funds Policy incorporating a CDBG funds distribution of 57 per cent for Housing, 22.5 per cent for Economic Development, ten per cent for Human Services, ten per cent for Neighborhood Development, and 0.5 per cent for Homeless Services, with uses for HOME and ESG funds to remain unchanged.

Vice-Mayor Fitzpatrick offered the following resolution:

(#37051-051005) A RESOLUTION approving the 2005 - 2010 Consolidated Plan and authorizing the City Manager, or the City Manager's designee, to submit the approved Consolidated Plan to the United States Department of Housing and Urban Development (HUD) for final review and approval, and authorizing the execution of all necessary documents pertaining to such Consolidated Plan.

(For full text of resolution, see Resolution Book No. 69, Page 391.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37051-051005. The motion was seconded by Council Member Lea and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

CITY CODE-BUDGET-CMERP-EQUIPMENT: The Director of Finance submitted a communication advising that a Budget Stabilization Reserve Policy is a component of sound financial management of a local government; development of financial management policies is recognized by municipal bond rating agencies and is a recommended best practice by the Government Finance Officers Association (GFOA); and the importance of a budget stabilization policy is to define a level of reserves desired by an organization in assuring liquidity to address unforeseen financial needs.

It was further advised that while the City has several fund balance policies in place, including a reserve for self-insured liabilities, the Capital Maintenance and Equipment Replacement Program (CMERP), and the reserve for debt service, the City does not currently have a General Fund budget stabilization policy; although the City maintains a reasonable reserve in the Debt Service Fund, there is no adopted policy identifying such as a budget stabilization or rainy day fund, which was noted by all three bond rating agencies in the City's most recent credit review, with emphasis on the need for a reserve inasmuch as the City's bond indebtedness is anticipated to increase over the next few years; a policy was developed in coordination with the City's financial advisor and reviewed by analysts in municipal bond rating agencies; and the recommended policy was also reviewed by Council at the February 18, 2005 Annual Financial Planning Session.

Key elements of the policy include:

- Reserve floor - The reserve will be maintained at a level to provide working capital and a margin of financial flexibility; the reserve will be a designated portion of the General Fund balance, and will be maintained at a minimum of five per cent, with a target of eight per cent of the adopted General Fund expenditure budget for the current year.
- Reserve drawdown - Use of the reserve will occur only upon authorization by Council to address unforeseen emergencies, or due to significant declines in revenues that cannot be covered by other sources.
- Reserve growth - The reserve will be maintained within the target range by retaining interest earnings and by designating a portion of the undesignated fund balance to the reserve when necessary.
- Reserve replenishment - If the reserve is used, it will be restored to the five per cent minimum level within three fiscal years, after which time, it will continue to be increased toward the eight per cent goal.

It was explained that the primary fund balance policy currently in existence for the General Fund is the Capital Maintenance and Equipment Replacement Program (CMERP); the CMERP ordinance was originally adopted to address a lack of adequate funding in the adopted budget for capital equipment and maintenance needs; the CMERP ordinance reserved the entire General Fund balance for capital needs; during recent years, funding included in the adopted budget has systematically been increased to address capital needs, working toward the goal of including adequate capital funding in the adopted budget; in conjunction with adoption of the Budget Stabilization Reserve policy, the CMERP ordinance will be repealed, since adoption of the new policy would conflict with the CMERP ordinance and as funding is included in the adopted budget to address capital equipment and maintenance, the intent of the CMERP ordinance is no longer needed; and as the Budget Stabilization Reserve is adopted and the CMERP ordinance is repealed, the amount that previously would have been designated as CMERP will be considered undesignated fund balance and the undesignated fund balance will be available for one-time funding needs and may be appropriated for use in the subsequent year by Council.

The Director of Finance advised that the City's budget stabilization reserve will be established in the General Fund by a transfer of \$15.5 million from the Debt Service Fund; in conjunction with the transfer, the Debt Policy will be amended to reflect the impact of the new policy; while the residual Debt Service fund balance will continue to be reserved for future debt service and bond issuance costs, the goal of maintaining the balance at a level equal to one

year of debt service expenditure will no longer be included; it is believed that the policy will be beneficial to the City's continued commitment to long-term financial planning; and the reserve policy will be used in conjunction with Roanoke's other financial policies to help assure financial stability and protection of Roanoke's "double-A" bond rating credit quality.

The Director of Finance recommended that Council adopt resolutions establishing the Budget Stabilization Reserve Policy and amending the Debt Policy; adopt an ordinance to repeal the Capital Maintenance and Equipment Replacement (CMERP) ordinance; and adopt a budget ordinance transferring funds totaling \$15.5 million from the Debt Service Fund to the General Fund.

Council Member Cutler offered the following ordinance:

(#37052-051005) AN ORDINANCE amending Chapter 2, Administration, Article VIII, Finance Generally, of the Code of the City of Roanoke (1979), as amended, by repealing §2-189, Reserve for capital improvements and capital maintenance and equipment; and dispensing with the second reading by title paragraph of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 392.)

Council Member Cutler moved the adoption of Ordinance No. 37052-051005. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Vice-Mayor Fitzpatrick offered the following resolution:

(#37053-051005) A RESOLUTION approving and adopting a policy entitled "City of Roanoke Virginia Budget Stabilization Reserve Policy" for the City.

(For full text of resolution, see Resolution Book No. 69, Page 393.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37053-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Council Member Cutler offered the following resolution:

(#37054-051005) A RESOLUTION approving and adopting a Debt Policy for the City of Roanoke.

(For full text of resolution, see Resolution Book No. 69, Page 394.)

Council Member Cutler moved the adoption of Resolution No. 37054-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Vice-Mayor Fitzpatrick offered the following budget ordinance:

(#37055-051005) AN ORDINANCE to transfer funding establishing the Budget Stabilization Reserve, amending and reordaining certain sections of the 2004-2005 General and Debt Service Funds Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 395.)

Vice-Mayor Fitzpatrick moved the adoption of Ordinance No. 37055-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

ECONOMIC DEVELOPMENT: The City Manager submitted a communication advising that interest earned from the Capital Projects Fund and occasional land sale proceeds have traditionally been used for economic development or community development initiatives; and currently, no dedicated funding source is available for economic development or community development initiatives.

It was further advised that it would be beneficial to have a specified funding source when economic or community development opportunities arise; and adopting a policy which reserves Capital Projects Fund interest earnings and proceeds from the sale of general government property for economic development and community development initiatives would result in a dedicated funding source.

It was explained that funding will be used for economic and community development initiatives that include, but are not to be limited to the following:

1. Purchase of property for the purpose of economic development.
2. Economic development incentives.
3. Greenway Development.
4. Infrastructure improvements to support economic development and community development initiatives.

The City Manager recommended that Council adopt a policy designating Capital Projects Fund interest earnings and proceeds from the sale of general government property for economic development and community development initiatives.

Vice-Mayor Fitzpatrick offered the following resolution:

(#37056-051005) A RESOLUTION approving an Economic and Community Development Reserve Policy dedicating Capital Projects Fund interest earnings and proceeds from the sale of real property for economic and community development initiatives.

(For full text of Resolution, see resolution Book No. 69, Page 396.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37056-051005. The motion was seconded by Council Member Lea and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-CITY CODE-CITY MANAGER: The City Manager submitted a communication advising that Section 2-121 of City Code authorizes the City Manager to make transfers up to \$75,000.00 within or between departments and divisions as set forth by fund in the annual appropriation ordinance.

It was further advised that as a part of year-end processing, there is a need to transfer funds for items such as salary lapse and internal service fund billings in excess of the \$75,000.00 threshold; and such actions currently require that a Council report be processed to authorize the transfer.

The City Manager recommended that Section 2-121 of the Code of the City of Roanoke (1979), as amended, be amended, to allow the City Manager to make transfers within or between departments and divisions in excess of \$75,000.00 from April 1 through June 30 annually; and the Director of Finance shall report such transfers to Council as a part of the quarterly Summary of City Manager Transfers.

Council Member Cutler offered the following ordinance:

(#37057-051005) AN ORDINANCE amending and reordaining §2-121, Authority to transfer funds, of Article V, City Manager, of Chapter 2, Administration, of the Code of the City of Roanoke (1979), as amended, to provide for the authorization of the City Manager to transfer funds; and dispensing with the second reading by title paragraph of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 397.)

Council Member Cutler moved the adoption of Ordinance No. 37057-051005. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

There being no further business, the Mayor declared the meeting adjourned at 2:50 p.m.

A P P R O V E D

ATTEST:

Mary F. Parker
City Clerk

C. Nelson Harris
Mayor

The meeting of Roanoke City Council reconvened on Wednesday, May 4, 2005, at 8:30 a.m., in Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, for fiscal year 2005-2006 Budget Study, with Mayor C. Nelson Harris presiding.

PRESENT: Council Members Brian J. Wishneff, M. Rupert Cutler, Beverly T. Fitzpatrick, Jr., Sherman P. Lea, Brenda L. McDaniel and Mayor C. Nelson Harris-----6.

ABSENT: Council Member Alfred T. Dowe, Jr.-----1.

OFFICERS PRESENT: Darlene L. Burcham, City Manager, William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Stephanie M. Moon, Deputy City Clerk.

OTHERS PRESENT: Rolanda B. Russell, Assistant City Manager for Community Development; George M. McMillan, Sheriff; Evelyn W. Powers, Treasurer; Sherman M. Stovall, Director, Office of Management and Budget; and Amelia Merchant, Budget Management Analyst, Office of Management and Budget.

COUNCIL: The Mayor announced that no public hearings were scheduled to be heard by the Council on Monday, May 16, 2005, whereupon, he suggested that the 7:00 p.m., Council meeting be cancelled.

Vice-Mayor Fitzpatrick offered the following resolution:

(#37042-050405) A RESOLUTION canceling the portion of the regular meeting of City Council used for the conduct of public hearings which is scheduled to be held at 7:00 p.m., on Monday, May 16, 2005, and amending Resolution No. 36762-070704, which established the meeting schedule for the Fiscal Year commencing July 1, 2004, and terminating June 30, 2005.

(For full text of resolution, see Resolution Book No. 69, Page 370.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37045-050405. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Wishneff, Cutler, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

BUDGET: The City Manager advised that at the Council's Financial Planning Session, which was held on February 18, 2005, it was reported that the financial and budget situation was better this fiscal year than in the past two years. She further advised that as stated during the April 18, 2005 Council meeting, the City has experienced good revenue growth, both in local taxes, and primarily in real estate taxes, which are the City's main sources of revenue, along with some improvements in State revenue which have not been available to the City in previous years. She noted that the City has a number of needs to be addressed as the cost of doing business increases; and the proposed budget includes several efforts that the Council previously outlined, such as debt service to accomplish construction of the two high schools, and to maintain progress with regard to equipment replacement, building maintenance, technology and street paving.

The City Manager pointed out that seven positions were reinstated that had been unfunded in previous years, i.e.: four positions in Street Maintenance and Social Services Departments, an additional law clerk for the judges which is funded in partnership with Roanoke County and the City of Salem, and two positions in the Planning, Building and Development Department. She added that recommendations to improve landscaping at the Roanoke Centre for Industry and Technology and promotion of the City's brand identity are considered to be key activities to improve economic development opportunities for the City of Roanoke.

She referred to an editorial in *The Roanoke Times* with regard to Council's strategic decision to purchase the Countryside Golf Course, which is important to the City's efforts, not only to increase additional housing opportunities, but to provide opportunities for additional business development. She also called attention to the Colonial Green Project which is another project that is designed to make Roanoke more attractive to persons visiting the Roanoke Valley.

The City Manager noted that additional funding was included in the proposed budget for parks and recreation activities, greenways, outdoor events support, the Discovery Center and program activities, and recommendations for improvements to storm drainage maintenance and traffic signal equipment replacement. She emphasized that consideration was given to various issues that were discussed by the community at large and by the Members of Council, and she was pleased to present a balanced 2005-2006 fiscal year budget.

She called attention to certain proposed constitutional modifications to the real property tax as proposed by the two gubernatorial candidates, and expressed concern with regard to the potential of lower property tax revenue for the City leading to reduced public services and/or higher real property tax rates.

Council Member Cutler stated that the landscaping environment at the Roanoke Centre for Industry and Technology should be more natural in appearance, and suggested the creation of hiking trails and appropriate locations for outdoor dining for employees who work in the industrial park. He requested information with regard to a utility fee for storm water management.

The Director of Finance called attention to an additional allocation of \$12 million in funds within the proposed 2005-2006 Fiscal Year Budget.

ITEMS REFERRED TO BUDGET STUDY

Additional Operating Funds for Mill Mountain Theatre

Mr. Stovall called attention to discussions by the Mayor, the Vice-Mayor and City staff with representatives of Mill Mountain Theatre regarding the financial status of Mill Mountain Theatre and assistance by the City of Roanoke; whereupon, the following options were presented:

Marketing initiative - \$137,200.00

- Enhancing general ticket sales through a sustained television advertising campaign and permanent signage, such as a marquee and the use of print media.

Development Initiative - \$27,764.00

- Enhancing individual contributions, corporate sponsorships, and secure government and foundation grants. Additional technology support, such as computers and clerical support positions.

Capital Improvements - \$750,000.00

- Provide \$200,000.00 for capital improvements over four years. Allocate funding as a part of the Capital Maintenance and Equipment Replacement Program.

Mr. Stovall stated that it is recommended that \$209,000.00 be provided for capital improvements over four years to be allocated as a part of the Capital Maintenance and Equipment Replacement Program, which is consistent with the provision of capital funding provided to the Grandin Theatre and The Dumas Center. He added that the Mountain Theatre is receptive to the City's recommendation, but requested the following considerations:

- \$125,000.00 in the first year and \$25,000.00 each year for three years; and
- Provision for funds in July 2005 to facilitate improvements during the off-season.

The City Manager advised that the City will provide non-cash assistance to Mill Mountain Theatre, as follows: technology expertise from the Department of Technology and clerical support through a program administered by the Department of Social Services.

There being no further questions/comments, Council Member Cutler moved that Council concur in the following recommendation:

\$209,000.00 be provided for capital improvements over four years to be allocated as a part of the Capital Maintenance and Equipment Replacement Program;

\$125,000.00 in the first year and \$25,000.00 each year for three years;

Provision for funds in July 2005 to facilitate improvements during the off-season; and

Provide non-cash assistance to Mill Mountain Theatre, as follows: technology expertise from the Department of Technology and clerical support through a program administered by the Department of Social Services.

The motion was seconded by Council Member McDaniel and adopted.

Public Safety Pay

Mr. Stovall advised that:

- In an effort to address the recruitment and retention of Police Officers, an enhanced level of compensation was provided, effective January 1, 2005.
- A request to provide the same level of enhanced compensation to Deputy Sheriffs was suggested by Sheriff George McMillian.
- Council subsequently provided instructions to adjust the recommended fiscal year 2005-2006 budget to provide Deputy Sheriffs and Fire-EMS employees the same level of enhanced compensation that was provided to Police Officers.
- Annual implementation cost will be approximately \$1,050,000.00, effective July 1, 2005.

- Implementation of the enhanced level of compensation for Deputy Sheriffs and Fire-EMS employees, effective July 1, 2005, would require a reduction in pay increases granted to all City employees from three per cent to two per cent.

Mr. Stovall reviewed the following options:

- Delay provision of enhanced compensation to Deputy Sheriffs and Fire-EMS employees until January 1, 2006.
- Reallocate \$120,000.00 recommended for Fire-EMS Career Enhancement Program to base pay.
- Delay provision of enhanced compensation for all City employees until January 1, 2006, and increase the pay raise from three per cent to four per cent as an incentive to employees for the delay in implementation.

Cost:

- Total annual cost of approximately \$4 million.
- Fiscal year 2005-2006 cost of approximately \$2 million for one-half year.
- Fiscal year 2006-2007 cost of additional \$1.3 million as the full cost of enhanced compensation is incurred.

Mr. Stovall reviewed the following staff recommendations:

- Provide Sheriff and Fire-EMS employees the same level of enhanced compensation that was approved for Police Officers, effective January 1, 2006, which will result in an increase of four per cent and a potential classification modification for public safety employees who complete the probationary period.
- Increase the recommended pay raise for all City employees from three per cent to four per cent, effective January 1, 2006.

Discussion:

Council Member Cutler inquired about the average percentage pay increase for City employees; whereupon, Mr. Stovall advised that over the past several years, the average pay increase has been between two and one-half to three per cent. The City Manager pointed out that the budget message states that the City lags behind benchmark communities in terms of general compensation, not public safety compensation, and urged that Council consider the recommendation to delay the pay increases so that the City would not fall any further behind in competitiveness.

Council Member Lea requested clarification with regard to delaying the pay increases until January 1, 2006, in order to provide an eight per cent increase for Sheriff and Fire/EMS employees. Mr. Stovall responded that the eight per cent pay increase would provide the Sheriff and Fire/EMS employees with the same level of enhanced compensation that was provided to Police Officers in January 2005.

Council Member Lea expressed concern with regard to the majority of City employees at certain grade levels who may be in need of additional financial assistance today, as opposed to January 1, 2006, and inquired as to the number of employees who would be affected by the delay. The City Manager responded that over 40 per cent of the City's work force is in public safety, which will cost approximately \$1 million to address recruitment/ retention issues. In terms of the remaining 60 per cent of City employees, she stated that the majority falls in the category of approximately \$30,000.00 annually, and the City provides a certain amount of funds each year toward employee health coverage.

Vice-Mayor Fitzpatrick made the observation that there will be a better long term gain to the employee as a result of implementing the raise on January 1, 2006, which will be to the benefit of the employee at retirement.

Council Member Cutler inquired if there is a problem with competitive salaries in other City departments such as Planning, Engineering, Parks and Recreation, etc., or has the City created two classes, i.e.: public safety employees and other employees. The City Manager responded that the City surveys all classifications annually to determine competitiveness with certain benchmark communities and adjustments are made accordingly.

Council Member Wishneff inquired about the amount of percentage received from the State Compensation Board for the Sheriff's Department; whereupon, the City Manager advised that the State establishes salaries and classifications for all Constitutional officers and their employees. She added that several years ago, Council voted to place employees of Constitutional officers under the City's Pay and Classification Plan; and almost without exception, the City's Pay Plan pays more than the amount approved by the State Compensation Board for employees within certain classifications. She further advised that an increase approved by the General Assembly provides a greater reimbursement to the locality for the cost of salaries, but the reimbursement does not equal the amount that is paid by the City.

Council Member McDaniel asked about the impact of phasing in pay increases, i.e.: a one per cent pay increase on July 1, 2005, and the remaining three per cent on January 1, 2006. The City Manager responded that if Council approves any type of pay increase, a two per cent increase, effective July 1, 2005, would be suggested as opposed to piecemeal so that the increase can be seen by the employee in its entirety.

Mayor Harris advised that the City has a financial commitment to properly train public safety employees due to their work environment, and the personal risk they take in the line of duty, etc. He called attention to a bronze memorial that is dedicated to fallen police officers, and made the observation that no memorial is dedicated to the memory of employees who have lost their lives in the line of duty in other City departments.

Council Wishneff inquired if a pay increase could be provided in December 2005 for all City employees, excluding public safety employees. Mr. Stovall responded that if a pay increase is provided prior to January 1, 2006, it would be necessary to reduce funding in storm drainage maintenance, enhanced bridge maintenance, fleet replacement, building maintenance, street paving and technology. The City Manager suggested that if Council wishes to grant a pay increase for City employees prior to January 1, 2006, it is requested that staff be given the opportunity to revisit the proposed budget to make recommendations to Council regarding specific adjustments.

There being no further questions/comments, Council Member Cutler moved that Council approve the recommendation of the City Manager to increase the proposed pay raise for all City employees from three per cent to four per cent, and eight per cent for Sheriff and Fire-EMS employees, effective January 1, 2006. The motion was seconded by Vice-Mayor Fitzpatrick and adopted.

Retiree Benefits – Cost of Living Adjustment

The Director of Finance reviewed the following:

- Factors considered in providing an adjustment:
 - Change in consumer price index
 - Increased cost to the pension plan
 - Level of raises provided by similar plans within the State
 - The level of increase provided by Social Security
- Eligible members of the Pension Plan received a 2.1 per cent cost-of-living adjustment on July 1, 2004.
- Association of Municipal Retirement Systems of Virginia Cost of Living Adjustments:

Locality	Proposed FY 06
Arlington	2.70%
Charlottesville	2.00%
Fairfax County – Education	3.00%
Falls Church	1.30%
Newport News	1.85%
VRS	2.70%
Social Security	2.70%

The Director of Finance submitted the following recommendation:

- Provide a 2.25 per cent increase to eligible members of the Pension Plan, effective July 1, 2005;
- Provides for an increase in the average annual retirement allowance of approximately \$273.00 on an annual basis;
- Cost of an additional \$420,999.00 in benefits annually or \$259,000.00 in annual contributions to the Pension Plan; and
- Pro-rata share of annual contributions for the City of Roanoke - \$225,000.00.

Council Member Cutler inquired if employees of the Western Virginia Water Authority were included in the City's Pension Plan; whereupon, the Director of Finance stated that former City employees who transferred to the Water Authority would remain in the City's Pension Plan.

The Director of Finance recommended that Council consider a 2.50 per cent cost-of-living increase for City retirees, effective January 1, 2006, as opposed to a 2.25 per cent increase, effective July 1, 2005.

Vice Mayor Fitzpatrick moved that Council approve a 2.50 per cent cost-of-living increase for City retirees, effective January 1, 2006. The motion was seconded by Council Member Cutler and adopted.

Retiree Benefits - Health Insurance Supplement:

The Director of Finance advised that the City's Pension Plan currently provides a 75 per cent monthly supplement of the amount of health insurance supplement to active employees, or \$221.25 to City retirees with at least 20 years of service until age 65, and the supplement is provided to complement a retiree's pension allowance until Medicare eligibility. He added that employees with 15 years or more of service are allowed to continue health care coverage in the Pension Plan until age 65 by paying a blended premium rate that takes into consideration the premium paid for active employees, rather than a true retiree rate. He noted that previous consideration was given to providing a health insurance supplement to retirees 65 years of age or older; however, due to the cost of maintaining the current level of benefits and providing a cost of living adjustment to retirees, it is not financially prudent at this time to provide the enhanced benefit.

Council Member Wishneff inquired about the benefits of a joint City/School health insurance contract; whereupon, the City Manager called attention to discussions with staff of the Roanoke City School Board and suggested that Council provide the leadership to initiate a regional study regarding creation of a valley-wide health insurance consortium. The City Manager advised that the City of Roanoke has previously expressed a willingness to change the anniversary date for renewal of its health insurance contract from a fiscal year basis to a calendar year basis in order to be in line with other localities.

Without objection by Council, the Mayor advised that the remarks would be received and filed.

Roanoke-Salem Baseball Hall of Fame:

Mr. Stovall reviewed the following:

- A request has been submitted for a contribution for construction of the Roanoke-Salem Baseball Hall of Fame in the City of Salem;

- Anticipated cost of the building is \$350,000.00;
- The City of Roanoke previous donated \$10,000.00.

The City Manager recommended that Council:

- Consider making a donation as a part of the Capital Maintenance and Equipment Replacement Program process.
- Prior to forwarding a donation, a specific amount will be recommended to the Council for approval.

Additional Funding to Cultural Organizations:

- The budget includes approximately \$560,000.00 in funding to cultural agencies.
 - \$335,500.00 is allocated by the Roanoke Arts Commission
- Funding is increased annually based on the growth in discretionary revenue.
- The level of funding provided is more than the anticipated admissions tax revenue of \$465,000.00.

The City Manager advised that the City of Roanoke does not supplement operating programs, and emphasized that all capital needs should have a donor because the program or activity is not strictly a City activity.

Council Member Wishneff suggested that an Arts Cultural District be established, along with a financial incentive for businesses to be located in the district. He spoke in support of implementing the district within the next year.

Vice-Mayor Fitzpatrick indicated that a Business District Plan was created in 1995 and suggested that the Plan be reviewed to determine if a cultural district was included.

Council Member Cutler inquired about the status of funding for completion of the Public Art Plan; whereupon, the City Manager stated that Council authorized an appropriation of \$50,000.00 from the One Percent for the Arts account and it is anticipated that the Plan would be completed within the next 30 – 60 days. She suggested that a Council work session be scheduled in June or July.

OTHER BUSINESS:

Vice-Mayor Fitzpatrick requested clarification as to the availability of funds for services performed by the City's Legislative Liaison to the Virginia General Assembly.

The City Attorney called attention to a decrease in the amount of funds allocated to professional services in the City Attorney's budget. He explained that the account covers expenses of the Legislative Liaison and various expenses incurred by the City with regard to litigation of cases, and the budget of the Legislative Liaison is based upon whether there is a short session or a long session of the General Assembly. He stated that over expenditure occurs in the account because the costs associated with processing litigation claims must be estimated, and litigation costs and Legislative Liaison expenses are funded through the same account. Therefore, he requested the assurance of Council that funds will be approved in the event of a shortfall of funds in the City Attorney's professional services account.

Vice-Mayor Fitzpatrick stated that due to the importance of services provided by the City's Legislative Liaison, Council would support requests for additional funds to be allocated to the City Attorney's budget.

Domestic Violence

Council Member Wishneff inquired if the City has the necessary resources to address domestic violence; whereupon, the City Manager responded that the biggest challenge to the City does not relate to resources, but to education. In an attempt to educate, she stated that information on domestic violence has been forwarded to local churches for distribution within the various communities.

Council Member Wishneff inquired if there are legal solutions to domestic violence; whereupon, the City Manager advised that she would meet with the Chief of Police to determine if there are legislative solutions that would allow for a different level of intervention by police officers.

The Assistant City Manager for Community Development advised that the Police Department will work with School Resource Officers at the two high schools to educate youth with regard to appropriate behavior and programs will be instituted at branch public libraries in the various neighborhoods.

Vice-Mayor Fitzpatrick suggested that the Mayor, the City Manager, the Chair of the Roanoke City School Board and the Superintendent of Schools discuss a curriculum to change the cycle of domestic abuse beginning at the elementary school level.

Downtown Parking:

Council Member Wishneff expressed concern with regard to the number of persons working in the downtown Roanoke area who do not have adequate parking, and advised that an aggressive effort should be made to bring monthly parkers downtown during business hours. He suggested that the City consider a decrease in monthly parking rates in parking garages/parking lots owned by the City of Roanoke.

The City Manager advised that the City's parking garages charge a uniform parking rate of \$65.00 per month for an unreserved space and \$85.00 per month for a reserved space, and the rates have been in effect for several years. She added that the City of Roanoke's parking rates are lower than private sector rates, with the exception of surface parking lots located on Day Avenue, S. W.

The City Manager further advised that the City provides discounts to large volume business users and offers discounts if the employer chooses to pay parking on a type of blanket basis. She noted that staff reviews parking, as well as what can be done to accommodate a new business or prospective business that contacts the City, as to the availability of parking and whether or not the City can offer a discounted parking rate.

Council Member Wishneff suggested an across the board parking rate discount to be used by Downtown Roanoke, Inc., as a recruiting tool to encourage more people to visit the downtown area.

The City Manager advised that if the Council wishes to give consideration to an adjustment in parking rates, the issue needs more detailed discussion by Council including additional information to be provided by City staff inasmuch as the parking fund is a self-supporting fund and if rates are reduced on a city-wide or system-wide basis, the Parking Fund would have to be subsidized. She added that maintenance activities are built into the Parking Fund in order to keep the City-owned garages in good condition; and within approximately two years, two new garages will be constructed that will require activity to support the cost of debt service.

Council Member Wishneff inquired if the City has an annual contract with Downtown Roanoke, Inc.; whereupon, the City Manager advised that Downtown Roanoke is funded through a Downtown Service Fund that was created approximately nine years ago and the contract is scheduled for renewal in 2006. She further advised that the only funding provided by the City beyond the Service Fund is the traditional ten cents on the tax rate that the City collects and thereafter distributes to Downtown Roanoke on a quarterly basis; and the City provides Downtown Roanoke with \$10,000.00 toward expenses incurred for the Dickens of a Christmas activities (primarily the parade) and Downtown Roanoke, Inc., manages the Farmer's Market and is responsible for collecting and retaining rental fees.

Mayor Harris suggested that Council engage in a work session to discuss issues regarding downtown Roanoke, i.e.: what can the City do to attract people to downtown and development of a strategy to increase parking in downtown Roanoke. Vice-Mayor Fitzpatrick suggested that the briefing should also include the downtown study of the City Market area.

The City Manager advised that since the matter requires additional discussion, it is suggested that the work session be held after the appointment of a new Director of Economic Development, and following discussions by the Director of Economic Development and the Acting Executive Director of Downtown Roanoke, Inc., regarding issues pertaining to the downtown area.

EventZone:

Council Member Cutler inquired about the City's relationship with EventZone; whereupon, the City Manager advised that the City of Roanoke provides approximately \$170,000.00 to EventZone, which was created as a result of Festival in the Park and the City's Special Olympics.

Oliver White Hill Foundation:

Council Member Lea inquired about the status of measures to preserve the Oliver White Hill house; whereupon, the City Manager advised that a specific request for funds from the Oliver White Hill Foundation was not received for the fiscal year 2006 budget development process. She further advised that during the 2005 budget cycle for Community Development Block Grant funds, the City received a request from the Oliver White Hill Foundation, in the amount of \$150,000.00, for what was identified as Phase I of the project, which involved property acquisition, architectural design, exterior repairs, and handicap accessibility; and the initial plan of the Foundation was to convert the property, which is currently occupied by two families, into a multi-use structure with a civil rights center to be located in the basement and on the first floor, and two rental units on the second floor level.

The City Manager stated that staff did not recommend CDBG funding in last year's budget cycle due to a concern that the project would not meet eligibility requirements for Community Development Block Grant funding and the City could not document either the creation of jobs or that the majority of patrons of the facility would be in the low-moderate income category. She further stated that in communicating the City's position to the Foundation, it was explained that the City would consider funding a portion of the project through the Capital Maintenance and Equipment Replacement Program; however, to date, the Foundation has not demonstrated the ability to raise funds for a portion of acquisition costs or for rehabilitation of the property.

The City Manager stated that she met with representatives of the Virginia Law Foundation who expressed an interest in contributing financially to the project; however, no response has been received from the Oliver White Hill Foundation. She advised that funding should be predicated on a matching funds program similar to the Dumas Center, the Grandin Theatre, and Mill Mountain Theatre.

Mayor Harris suggested that he and Council Member Lea meet with business leaders in the African American community in an informal setting to discuss issues surrounding the historic section of Gilmer Avenue which may prompt an existing organization to partner with the City of Roanoke to develop the project. Mayor Harris also suggested that he and Council Member Lea work with City staff on development of a business plan. Council Member Cutler referred to other historic landmarks within the northwest community, such as the Harrison Museum of African American Culture, the Martin Luther King, Jr. Bridge, and the Dumas Hotel and suggested that discussions be held with the community with regard to creating a larger district that could lead to increased financial support for the area.

First Street Bridge

Council Member McDaniel inquired about the status of the First Street Bridge; whereupon, the City Manager advised that signs have been installed, and the Federal Government has awarded the City \$500,000.00 which can be used for the bridge itself and other planned amenities. She stated that Hayes, Seay, Mattern and Mattern was the sole bidder responding to the City's Request for Proposal to develop bridge design; and it is anticipated that the Federal Government will approve design of the pedestrian bridge by early fall. She added that a detailed construction schedule would be included in the Council Update. Council Member Cutler suggested that a progress report also be forwarded to the First Street Bridge Committee.

Contribution Toward Ongoing Efforts at Smith Mountain Lake:

The City Manager called attention to a communication from the Franklin County Administrator requesting that the Cities of Roanoke and Salem and Roanoke County contribute \$10,000.00, each, to Franklin County to address ongoing efforts to clean-up Smith Mountain Lake; and in 2004, the City received a similar request from the Tri-County Group and the Western Virginia Water Authority made a contribution on behalf of the City of Roanoke and Roanoke County.

The City Manager explained that as part of the consent decree agreement between the Water Authority and the Department of Environmental Quality, the Water Authority will continue to make contributions to the Tri-County Group, which is a citizen-based organization. She added that the Water Authority does not intend to make a contribution to Franklin County, which is responsible for a majority of the cost to clean-up Smith Mountain Lake; therefore, she recommended that \$10,000.00 be approved by Council and forwarded to Franklin County to be used toward clean-up efforts at Smith Mountain Lake.

Roanoke River Update

Council Member Cutler inquired about the appointment of a River Keeper for the Roanoke River; whereupon, the City Manager advised that an update will be presented at the Council's Work Session on June 6, 2005, regarding a plan of action for management of the Roanoke River.

CLOSING COMMENTS:

Pay for Performance Increase

The City Manager advised that a communication would be forwarded to all City employees outlining the Council's decision with regard to the compensation issue and outlining the deliberation of Council as it struggled to make a difficult decision.

Proposed Budget Stabilization Reserve Policy

The Director of Finance called attention to previous discussion by Council at the Financial Planning Session on February 18, 2005, with regard to establishment of a Budget Stabilization Reserve Policy. He stated that enactment of the Policy will be beneficial in the City's continued commitment to long-term financial planning; and the Government Finance Officers Association and other organizations recommend that local governments develop and adopt financial management policies as components of their financial management systems.

The Director of Finance advised that the proposed reserve policy is intended to demonstrate a commitment to long term financial planning; and reserve policies continue to receive a greater emphasis from bond credit rating agencies as financial stress increases for local governments. He further advised that the reserve policy would be used in conjunction with the City's other financial policies to help ensure financial stability and protection of the City of Roanoke's "double-A" bond rating credit quality; and guidelines will be established to maintain the Budget Stabilization Reserve Policy, which is referred to as a "rainy day fund".

Mr. Hall indicated that the Capital Maintenance and Equipment Replacement Program Policy is in conflict with the proposed Budget Stabilization Reserve Policy; therefore, it will necessary to amend the City Code inasmuch as the intent of the CMERP ordinance will no longer be needed.

The Director of Finance advised of the need for an economic and community development reserve to provide a supplement to economic and community development funds that are included in the City's Capital Improvement Program. He explained that the City has historically funded certain capital improvement programs on a cash basis, and the Economic and Community Development Reserve would provide a source of funding which would create flexibility to cash fund unforeseen opportunities that may arise in areas of economic development and community development. He stated that the proposed Economic and Community Development Reserve Policy is intended to demonstrate a commitment to financial planning for economic and community development projects which may provide future growth opportunities and expansion of Roanoke 's tax base.

In the interest of continuing and promoting sound financial decisions, the Director of Finance recommended that Council take the following actions at its meeting on Tuesday, May 10, 2005:

Adopt a Budget Stabilization Reserve Policy;

Modify the Debt Service Policy to reflect the impact of the proposed Budget Stabilization Reserve Policy;

Repeal the Capital Maintenance and Equipment Replacement Program which conflicts with the Budget Stabilization Reserve Policy; and

Create an Economic and Community Development Reserve Policy

Announcements

Vice-Mayor Fitzpatrick announced that the Flat Car located at the Railwalk will be used for the Chili Cook-off Annual Festival on May 7, 2005. He stated that the Flat Car would ultimately become the main stage when construction commences on the new Art Museum.

There being no further business, at 11:45 a.m., the Mayor declared the meeting in recess until Tuesday, May 10, 2005, for the purpose of adopting the 2005-2006 fiscal year budget for the City of Roanoke.

The Council of the City of Roanoke reconvened on Tuesday, May 10, 2005, at 2:00 p.m., in the Roanoke City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, with Mayor C. Nelson Harris presiding.

PRESENT: Council Members M. Rupert Cutler, Alfred T. Dowe, Jr., Beverly T. Fitzpatrick, Jr., Sherman P. Lea, Brenda L. McDaniel and Mayor C. Nelson Harris---6.

ABSENT: Council Member Brian J. Wishneff-----1.

The Mayor declared the existence of a quorum.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

The invocation was delivered by Vice-Mayor Beverly T. Fitzpatrick, Jr.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Harris.

BUDGET: The Mayor advised that the purpose of the meeting was to adopt measures enacting the City of Roanoke's 2005-2006 fiscal year budget.

The Mayor announced that Council would consider a revised pay ordinance granting all City employees a three per cent pay increase, effective July 1, 2005 instead of January 1, 2006; and an additional increase of four per cent would be allotted to public safety employees, commencing January 1, 2006. He explained that in January 2005, Council authorized a four per cent increase for the Police Department to help with recruitment and retention initiatives, and when the action was taken, it was understood that the Council was temporarily breaking a type of pay parity or pay equalization among the City's public safety departments, i.e.: Police Department, Fire/EMS Department, and the Sheriff's Department. He called attention to discussions with a number of City employees who support a general pay increase of three per cent commencing on July 1, 2005, as opposed to a four per cent increase effective January 1, 2006; therefore, after conferring with the Members of Council, the City Attorney was requested to prepare revised measures for the Council's consideration.

The Mayor advised that Council would also consider authorizing a 2.25 per cent cost-of-living increase for City retirees, effective July 1, 2005, instead of a 2.50 per cent increase effective January 1, 2006.

The Mayor stated that Council values and appreciates the work of all City employees, it was not the intent of Council to pit or to promote one group of City employees over and above another group, and no Member of Council intended to imply that public safety employees are more committed or more dedicated to their jobs than other City employees. He advised that earlier in the day he met with Reed P. Cotton, Jr., the son of a former City employee, who lost

his life in a tragic accident in the line of duty to express appreciation for the 20+ years of service that his father gave to the Roanoke community as an employee in the Solid Waste Management Department. He explained that Council met in fiscal year 2005-2006 budget study on Wednesday, May 4, 2005, and diligently addressed numerous budget related issues over a period of four to five hours; and pointed out that information provided by the news media as it relates to Council meetings does not always accurately reflect the full discussion by Council on certain issues.

INTRODUCTION AND CONSIDERATION OF ORDINANCES AND RESOLUTIONS:

BUDGET: A Certificate of funding submitted by the Director of Finance advising that funds required for the 2005-2006 General Fund, Civic Facilities Fund, Parking Fund, Market Building Fund, Department of Technology Fund, Fleet Management Fund, Risk Management Fund, School Fund, School Food Services Fund, and Grant Fund budgets will be available for appropriation, was before Council.

Without objection by Council, the Mayor advised that the Certificate of Funding would be received and filed

BUDGET-PARKS AND RECREATION-FEE COMPENDIUM-LIBRARIES: The City Manager submitted a communication advising that in developing the budget for fiscal year 2005-06, departments were asked to review their fee structures and, where feasible, propose fee schedule (compendium) changes that focus on recovering the cost of providing services.

It was further advised that the recommended fiscal year 2005-2006 budget incorporates proposed fee structure changes for Elmwood Park Amphitheater rental, mobile stage rental, outdoor pool entrance, fitness centers, library copy fees, rental inspection fees, asbestos removal permit fees, manufactured homes and modular buildings permit fees, tent and membrane structure permit fees and temporary certificate of occupancy renewal fees.

Elmwood Park Amphitheater Fee

Currently, the charge for rental of the Elmwood Park Amphitheater is \$150.00 per day assessed to any organization utilizing the facility. The proposed fee will increase the current charge to \$250.00.

Mobile Stage Fee

Parks and Recreation currently charges a fee in a two-tier structure: \$600.00 per day for 501(c) organizations not charging admission and \$900.00 per day for events charging admission. The proposed fee will increase the charge as follows: \$900.00 per day for 501(c) organizations not charging admission and \$1,200.00 per day for events charging admission.

Outdoor Pool Entrance Fee

The entrance fee for outdoor pools has not been increased in more than 10 years. Currently, the entrance fee is \$1.00 for youth and \$2.00 for adults. The proposed increase will result in the following entrance fee structure: \$2.00 for youth and \$3.00 for adults.

Fitness Center Fees

Currently, Parks and Recreation administers a two-tier fee structure for both monthly and daily fitness center memberships. Residents are assessed a fee of \$4.00 for daily membership and \$15.00 for monthly memberships; and non-residents are assessed a fee of \$5.00 for daily membership and \$22.00 for monthly memberships. The proposed fee adjustments will result in the following fee structure: Residents - \$5.00 for daily membership and \$18.00 for monthly membership; non-residents - \$6.00 for daily membership and \$25.00 for monthly membership.

Library Copy Fee:

The Library currently charges \$0.10 for each single copy made in the public library system. The proposed increase to \$0.15 for each single copy will more appropriately align the fee with the actual cost assessed to the library for offering the service to library patrons.

Rental Inspection Fee:

Currently, Housing and Neighborhood Services charges a fee of \$75.00 for the initial inspection as well as periodic inspections. Subsequent follow-up visits are charged at a rate of \$35.00 each. A fee of \$25.00 will be levied for the initial and periodic rental inspections. Follow-up compliance inspections will be levied at a rate of \$50.00 each.

Asbestos Removal

Currently, the permit for the removal of asbestos is issued based on valuation of the project. The proposed fee adjustment will institute a flat fee of \$45.00 per certificate.

Manufactured Homes and Modular Buildings

At present, the building permit is issued with the fee being determined based on valuation of the property. The proposed adjustment will result in a building permit being issued based on the structure: \$75.00-single wide, \$100.00-double wide, and \$125.00-triple wide.

Tent and Membrane Structures

At present, building permits are issued for the erection of tent and membrane structures over 900 square feet at a cost based on the value of the structure or the rental fee for the structure. The proposed adjustment will result in those permits being issued at a flat cost of \$50.00 each.

Temporary Certificate of Occupancy Renewal

Currently, residents are issued renewal Temporary Certificates of Occupancy without a fee; a fee structure for renewal is recommended. The first renewal certificate will be issued for a fee of \$75.00, and subsequent renewal certificates will be issued at a fee of \$125.00 each.

The City Manager recommended that Council adopt a resolution and amend the City's Fee Schedule (Compendium) to reflect changes in the above referenced fees, effective July 1, 2005.

Council Member Dowe offered the following resolution:

(#37043-051005) A RESOLUTION amending the City's Fee Compendium to provide for revised fees for use of City park facilities and services and for new and revised inspection fees in order to update current fees and promote uniformity with fees charged by the City and surrounding localities; and providing for an effective date.

(For full text of resolution, see Resolution Book No. 69, Page 371.)

Council Member Dowe moved the adoption of Resolution No. 37043-051005. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Vice-Mayor Fitzpatrick offered the following resolution:

(#37044-051005) A RESOLUTION amending the City's Fee Compendium to provide for revised fees for use of City park facilities and services and for new and revised inspection fees in order to update current fees and promote uniformity with fees charged by the City and surrounding localities; and providing for an effective date.

(For full text of resolution, see Resolution Book No. 69, Page 373.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37044-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-CITY CODE-TAXES: The City Manager submitted a communication advising that in March 2000, as part of the Financial Planning Work Session, Council began planning for future capital projects, including the renovation of Patrick Henry High School; as a part of the planning process, Council agreed to begin setting aside \$570,000.00 in debt service funding on an annual basis to build debt capacity for future projects; and the strategy included building the necessary capacity to support the City of Roanoke's share of the Patrick Henry High School project.

It was further advised that at its next Financial Planning Work Session in March 2001, Council continued to plan for and to discuss capital projects, including the renovation of William Fleming High School, at a projected cost of \$40 million; while there was support to provide the City of Roanoke's share of \$20 million for the project, it was recognized that a new revenue source would be needed to support debt service; and as a result of subsequent planning efforts and discussion, an increase in the Prepared Food and Beverage Tax was identified as the potential funding source for the City of Roanoke's share of the William Fleming High School project.

It was explained that an analysis of the amount of debt service funding required in fiscal year 2009, after issuance of bonds for the William Fleming High School project, indicates that additional funding of approximately \$1.1 million will be needed to fully fund the City's share of the project; a proposed increase in the Prepared Food and Beverage Tax from four per cent to five per cent compares to an All Virginia Cities average of 4.9 per cent and a 5.9 per cent average for Virginia First Cities Coalition jurisdictions; and the comparison is based on tax rate information for 2004 provided by the Weldon Cooper Center for Public Service.

The City Manager advised that the proposed increase in the Prepared Food and Beverage Tax from four per cent to five per cent will result in additional revenue of approximately \$2.1 million dollars; one half of the incremental revenue will be used for debt service funding that will be needed to

support the William Fleming High School project, with the remaining portion to be used to address recurring operating expenses in the General Fund; and the Prepared Food and Beverage Tax is, in essence, a tax that is paid by those who choose to dine out and people outside of the City of Roanoke who elect to take advantage of the many restaurants in the City.

The City Manager recommended that Council adopt an ordinance amending Section 32-284 of the City Code to increase the Prepared Food and Beverage Tax to five per cent, effective July 1, 2005.

Council Member Dowe offered the following ordinance:

(#37045-051005) AN ORDINANCE amending §32-284, Levy of tax; amount, Article XIV, Tax on Prepared Food and Beverage, Chapter 32, Taxation, of the Code of the City of Roanoke (1979), as amended, by increasing the tax rate on prepared food and beverages from four percent (4%) to five percent (5%), providing for an effective date; and dispensing with the second reading by title paragraph of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 374.)

Council Member Dowe moved the adoption of Ordinance No. 37045-051005. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

CITY MARKET-BUDGET-ROANOKE CIVIC CENTER-GRANTS-
COMMUNICATIONS DEPARTMENT-SCHOOLS-FLEET MAINTENANCE FUND-RISK
MANAGEMENT FUND: Vice-Mayor Fitzpatrick offered the following revised budget ordinance:

(#37046-051005) AN ORDINANCE adopting the annual General, Civic Facilities, Parking, Market Building, Department of Technology, Fleet Management, Risk Management, School, School Food Services and Grant Funds Appropriations of the City of Roanoke for the fiscal year beginning July 1, 2005, and ending June 30, 2006; and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 375.)

Vice-Mayor Fitzpatrick moved the adoption of Ordinance No. 37046-051005. The motion was seconded by Council Member Cutler.

The City Manager was requested to clarify the revised ordinance; whereupon, she advised that in order to make the necessary adjustments to provide for a three per cent pay increase for City employees, effective July 1, 2005 instead of January 1, 2006, City staff was instructed to identify additional sources of funds to make up the difference. She called attention to three accounts that were previously recommended for funding in the fiscal year 2005-2006 budget, but were subsequently reduced in order to provide the necessary funds for a three per cent pay increase for City employees effective July 1, 2005; i.e.: Storm Water Management, Bridge Maintenance and Traffic Signal Replacement, and advised that incremental improvements in Fleet Replacement, Building Maintenance, Technology, and Street Paving will be left intact.

Ordinance No. 37046-051005, as revised, was adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

POLICE DEPARTMENT-PAY PLAN-BUDGET-FIRE DEPARTMENT-COMMITTEES-CITY SHERIFF-PENSIONS: Council Member Cutler offered the following revised ordinance:

(#37047-051005) AN ORDINANCE to adopt and establish a Pay Plan for officers and employees of the City, effective July 1, 2005; providing for certain salary adjustments and merit increases; authorizing annual salary increments for certain officers and employees for use of private motor vehicles; authorizing annual salary increments for sworn police officers assigned to the Criminal Investigation Division; authorizing annual salary increments for certain members of the Fire-Emergency Medical Services Department who are certified as Emergency Medical Technicians; authorizing annual salary increments for certain members of the Fire-Emergency Medical Services Department who are members of the Regional Hazardous Materials Response Team; providing for continuation of a police career enhancement program; providing for continuation of a Firefighter/Emergency Medical Technician merit pay program; providing for a Community Policing Specialist program; providing for payment of a monthly stipend to certain board and commission members; providing for an increase in base annual salary for any employee of the Sheriff who meets the

qualifications for and has been appointed Master Deputy Sheriff; repealing, to the extent of any inconsistency, Ordinance No. 36693-051304, adopted May 13, 2004, as amended by Ordinance No. 36935-010305, adopted on January 3, 2005, except for Paragraph 17 thereof, relative to the annual salaries of the Mayor, Vice-Mayor, and Council members; providing for the salaries of the City's Constitutional Officers; providing for an effective date; and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 383.)

Council Member Cutler moved the adoption of Ordinance No. 37047-051005. The motion was seconded by Vice-Mayor Fitzpatrick.

Joyce Conner, a City employee, read a communication from Reed P. Cotton, Jr., 1408 Fresno Street, N. W., an employee of the Solid Waste Management Department. Mr. Cotton advised that he was concerned about the double raise that was proposed for public safety employees, and according to an article in *The Roanoke Times*, job peril was cited as justification for the raise. He stated that his father, Reed P. Cotton, Sr., was the last City employee to die in the line of duty and although he was not a public safety employee, he asked if his father's life as a Solid Waste Management employee for over 22 years was not as important as those public safety employees who have lost their lives in the line of duty. He requested that Council consider the impact that a selective double raise will have on the 60 per cent of City employees who are not public safety personnel, because not only is the proposed raise a public showing of favoritism, it will give six months of his hard earned salary increase to a group of employees who already earn more than the average Solid Waste Management employee. He asked that Council withdraw its support for the selective double raise for public safety employees, and advised that all City employees should receive a raise, as opposed to a select group of public safety employees.

Donald Maddox, 3540 Melcher Street, S. E., a City employee, expressed appreciation to Council for considering a revised measure that will allow a three per cent raise for all City employees, effective July 1, 2005. He concurred in the need for a pay increase for employees in the Police Department and the Sheriff's Department, but expressed concern on behalf of the other 60 per cent of good and dedicated City employees, many of whom also work under dangerous conditions.

Eddie Bobbitt, 1146 Ferrell Drive, Wirtz, Virginia, a City employee, also expressed appreciation to Council for considering a revised ordinance authorizing a three per cent pay increase for all City employees, effective July 1, 2005. He stated which it is understood that the City's public safety employees work under stressful conditions, but his job as an equipment mechanic is just as stressful inasmuch as he is charged with the responsibility of maintaining the City's fleet of vehicular equipment which is used by public safety employees, public works employees, and solid waste management employees, etc.

Robert Gravely, 729 29th Street, N. W., advised that those City employees who earn the least amount of wages should receive the highest pay increase. He stated that the City's pay scale should be upgraded due to increases in insurance such as Anthem Blue Cross/Blue Shield, Delta Dental and Aflac. In addition to public safety employees, he called attention to unsafe working conditions for other City employees and asked that all City employees be treated equally and fairly.

Brenda S. Hamilton, 4505 Biltmore Drive, N. W., Clerk of the Circuit Court, expressed appreciation to Council for considering a revised pay increase of three per cent for all City employees, effective July 1, 2005. She advised that the 22 members of her staff looked forward to a three per cent pay increase. She stressed the importance of looking at all City employees as a group and that public safety employees not be singled out as the elite few because all City employees strive to serve the needs of the citizens of the City of Roanoke. She asked that the City's pay scale be reviewed and upgraded.

George M. McMillan, 5034 Oakley Avenue, S.W., City Sheriff, expressed appreciation to Council for awarding a three per cent increase to all City employees, effective July 1, 2005 as opposed to January 1, 2006. He stated that it is known that it was not the intent of Council to pit one employee group against another.

Council Member Lea expressed appreciation to the Mayor for his leadership in resolving the City employee pay increase issue. He also expressed appreciation to Sherman L. Stovall, Director of Management and Budget, for responding to his questions in a timely manner and for helping him to better understand the City's budget process.

Council Member Dowe expressed appreciation to all City employees for their service to the City of Roanoke. He, too, expressed appreciation to the Mayor for his leadership in resolving the pay increase issue and also expressed appreciation to the City's budget team for its efforts to prepare a budget that will move the City of Roanoke forward within the confines of its resources.

Ordinance No. 37047-051005, as revised, was adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-PENSIONS: The Director of Finance and the City Manager submitted a joint communication advising that retirees of the City of Roanoke Pension Plan (the Plan) are awarded cost-of-living adjustments (COLA) on an ad hoc basis by Council; the Plan does not include a provision for an automatic COLA due to the significant actuarial cost and related increase in contribution rates; thus, COLA's are not pre-funded in the Plan, but rather the increased cost is recognized when the increase has been awarded; factors considered as part of the recommendation for an annual adjustment include a change in the Consumer Price Index, increased cost to the Plan, the amount of raises provided by similar plans within the state, and the amount of increase provided by Social Security; eligible members of the City of Roanoke Pension Plan received a 2.1 per cent cost-of-living adjustment on July 1, 2004, which was the ninth consecutive COLA provided to eligible retirees; and the Recommended Budget for fiscal year 2006 includes a four per cent raise for active employees, effective January 1, 2006.

It was further advised that the required contribution rate for the pension plan to fund the current level of benefits will increase for fiscal year 2006 from 9.56 per cent to 12.61 per cent of payroll; additional cost to the General Fund is approximately \$1,600,000; a proposed 2.50 per cent increase to eligible members of the Plan, effective January 1, 2006, will increase the average annual retirement allowance by approximately \$303.00, costing the Plan an additional \$467,671.00 in benefits annually; the actuarial cost of a 2.50 per cent COLA is estimated at \$4.4 million to be funded over the next 20 years through the annual payroll contribution rate which results in an increase of approximately \$287,700.00 in annual contributions to the Plan; all City operating funds, along with the Roanoke Regional Airport Commission, School Board, Roanoke Valley Resource Authority, Roanoke Valley Detention Commission, Western Virginia Water Authority, and the Commonwealth of Virginia will assume their pro rata cost for funding the COLA; and the City's pro rata share of the increase is approximately \$250,000.00.

It was explained that the recommended increase will apply to those retirees who retired on or before July 1, 2004, i.e.: those retirees who have been retired for at least one year; approximately 1,541 of the 1,595 retirees, or 97 per cent of those receiving benefits as of March 31, 2005, will be eligible for the increase; and the increase will also apply to a member's or surviving spouse's annual retirement allowance, excluding any incentive payments made under the Voluntary Retirement Incentive Program established by Ordinance No. 30473-41591, adopted April 15, 1991, or to the retirement supplement paid according to Section 22.2-61 of the City Code.

It was advised that a request was also referred to budget study to consider providing a supplemental allowance for health insurance for City retirees who are 65 years of age or older; the Plan currently provides a monthly supplement of 75 per cent of the amount of health insurance supplement provided to active employees, or \$221.25 to retirees with at least 20 years of

service until age 65; the supplement is provided to complement the pension allowance until Medicare eligibility; upon reaching Medicare eligibility, retirees are eligible to begin receiving both hospital and medical benefits; and a new drug benefit program beginning in January 2006, Medicare Part D, will assist with outpatient prescription drugs.

The Director of Finance and the City Manager recommended that Council adopt an ordinance granting a 2.50 per cent COLA for eligible retirees, effective January 1, 2006 coincident with the recommendation of the effective date of salary increases for active employees; consideration was given to the request by the Retirement Association for a supplemental allowance for health insurance for retirees 65 and older; and due to the significant increase in contributions required to sustain the current level of benefits and to provide a COLA, no benefit changes are recommended that would result in additional funding requirements for the pension plan.

The Mayor having previously announced that the Council would consider a 2.25 per cent cost-of-living increase for City of Roanoke retirees, effective July 1, 2005, as opposed to a 2.50 per cent increase, effective January 1, 2006, Council Member Cutler offered the following revised ordinance:

(#37048-051005) AN ORDINANCE providing for certain supplemental benefits under the City of Roanoke Pension Plan to certain members of such Plan and certain of their surviving spouses; providing for an effective date; and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 387.)

Council Member Cutler moved the adoption of Ordinance No. 37048-051005 as revised. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-CAPITAL IMPROVEMENT PROGRAM: The City Manager submitted a communication advising that the Capital Improvement Program (CIP) for fiscal years 2006-2010 is a plan recommended for approval by Council for capital expenditures to be incurred over the next five years in order to address priority long-term capital needs of the City of Roanoke; and the CIP reflects the current status of projects which have previously been approved and funded by Council and is a revision to the fiscal years 2005-2009 Capital Improvement Program approved by Council on May 13, 2004.

It was further advised that on April 18, 2005, Council received the proposed Capital Improvement Program for fiscal years 2006-2010 as part of the Recommended Resource Allocation Plan; the Capital Improvement Program Summary Section of the document provides a summary of projects; and the Capital Improvement Program for fiscal years 2006-2010 is comprised of capital projects, with an estimated cost of project completion totaling \$257,922,677.00.

It was further advised that during the Financial Planning Work Session in February 2005, Council was briefed on the need for short-term financing in the amount of \$2.6 million to support the Financial Application Integration project; the project includes replacement of the City's financial systems and replacement of the accounting, tax/treasury, budget preparation, and human resource/payroll system applications; the need for financing is based on the cash flow to support the planned staging of projects; sufficient funds are budgeted in the Technology Fund to support the required level of debt service; and authorization to hold a public hearing to issue bonds to support the project is requested.

It was explained that on May 2, 2005, Council authorized execution of an option agreement for the purchase of the Countryside Golf Course at a cost of \$4.1 million; funding for acquisition of the property will come from the issuance of bonds; moving forward with the project may require the planned issuance of bonds for the planned Multipurpose Recreation Center to be shifted beyond fiscal year 2008; with the option fee of \$125,000.00 credited to the purchase cost, net funding of \$3,975,000.00 will be required; authorization to hold a public hearing to issue bonds to support the project is also requested; and bonds will be issued during fiscal year 2005-2006 for the following projects:

Previously Authorized

• Riverside Center	\$ 5,500,000.00
• Civic Facilities Expansion and Renovation	\$ 6,405,000.00
• Patrick Henry High School	\$21,750,000.00
• Fallon Park Elementary School	\$ 1,600,000.00
• Westside Elementary School	\$ 3,850,000.00

To Be Authorized

• Art Museum	\$ 3,700,000.00
• Downtown West Parking Garage	\$ 2,600,000.00
• Financial Application Integration	\$ 2,600,000.00
• Countryside Golf Course	\$ 3,975,000.00

The City Manager recommended that Council adopt a resolution endorsing an update to the CIP; authorize a public hearing to be held on June 20, 2005, for issuance of General Obligation Bonds for the Art Museum (\$3,700,000.00), Downtown West Parking Garage (\$2,600,00.00), Financial

Application Integration (\$2,600,000.00), and Countryside Golf Course (\$3,975,000.00); and appropriate \$3,204,476.00 included in the fiscal year 2005-2006 Transfer to Capital Projects, Account No. 001-250-9310-9508, to the respective capital project accounts established by the Director of Finance for the following projects:

- \$150,000.00 to Capital Project, Account No. 008-530-9552, for Bridge Maintenance
- \$40,000.00 to Capital Project, Account No. 008-530-9823, for Police Academy Building
- \$199,274.00 to Capital Project, Account No. 008-530-9736, for Stormwater Management
- \$310,000.00 to Capital Project, Account No. 008-530-9575, for Transportation Projects
- \$217,184.00 to Capital Project, Account No. 008-056-9620, for Roanoke River Flood Reduction
- \$250,000.00 for Capital Project, Account No. 008-530-9845, for Concept Design Courthouse Expansion
- \$250,000.00 for Capital Project, Account No. 008-530-9799, for Streetscapes and Traffic Calming
- \$150,000.00 for Capital Project, Account No. 008-440-9860, for Jail HVAC Design
- \$235,000.00 for Capital Project, Account No. 008-615-8114, for the Roanoke Redevelopment and Housing Authority
- \$1,403,018.00 to Capital Project Contingency, Account No. 008-530-9575, for prioritized projects; and

appropriate \$1,100,000.00 of residual equity from the close-out of Water and Sewer funds to:

- Carvins Cove Management Plan, Account No. 008-620-9825 \$90,000.00
- Equipment Replacement, Account No. 017-440-2642 \$450,000.00
- Technology Projects, Account No. 013-430-1602 \$450,000.00
- Capital Project Contingency, Account No. 008-530-9575 \$110,000.00

Council Member Dowe offered the following budget ordinance:

(#37049-051005) AN ORDINANCE to appropriate funding from the General and Capital Projects Funds for various capital improvement projects, amending and reordaining certain sections of the 2005-2006 Capital Projects, Department of Technology, and Fleet Management Funds Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 389.)

Council Member Dowe moved the adoption of Ordinance No. 37049-051005. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Vice-Mayor Fitzpatrick offered the following resolution:

(#37050-051005) A RESOLUTION endorsing the update to the Capital Improvement Program submitted by the City Manager by letter of May 10, 2005.

(For full text of resolution, see Resolution Book No. 69, Page 390.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37050-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-GRANTS-HOUSING/AUTHORITY: The City Manager submitted a communication advising that in order to receive Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and Emergency Shelter Grant (ESG) funding, the City of Roanoke must submit a five-year Consolidated Plan and Annual Updates to the U. S. Department of Housing and Urban Development (HUD); and the current five-year Consolidated Plan for the City of Roanoke will expire on June 30, 2005.

It was further advised that at the April 4, 2005 Council briefing, Council received a Summary of the Draft 2005-2010 HUD Consolidated Plan, which detailed priorities and objectives for the five-year period and the uses of funds recommended for fiscal year 2005-2006, the first year of the plan; Council also received a draft of the Gainsboro Neighborhood Revitalization Strategy Area (NRSA) plan, which is a supplement to the five-year Consolidated Plan; the Draft 2005-2010 Consolidated Plan was made available for public review and comment for a 30-day period, beginning April 4, 2005; as part of the review,

the draft plan was provided to Roanoke County, Salem, Vinton, and Botetourt County for comments which might assist the City in preparing the plan; opportunities for citizen input were provided at four public hearings which were held on September 23 and November 4, 2004, March 31 and April 28, 2005; in addition, information regarding availability of the plan for public review was sent to each member of the Roanoke Neighborhood Advocates (RNA); the five-year Consolidated Plan must be received by HUD on May 16, 2005, in order for the City's HUD fiscal year to begin on July 1, 2005; and funding for fiscal year 2005-2006, the first year of the new plan, would be available from the following sources:

New HUD Entitlements	\$2,909,053.00
Estimated Program Income	483,051.00
Estimated Carry-over	<u>711,514.00</u>
Subtotal	\$4,103,618.00

It was explained that it is estimated that the \$4.1 million in HUD funds as above referenced will leverage or otherwise be combined with as much as an additional \$5.4 million in other public and private funding; therefore, total estimated investment in activities included in the Annual Update is approximately \$9.5 million; priorities and objectives of the new five-year plan incorporate adjustments in the distribution of CDBG funds under the City's HUD Funds Policy, on which Council was briefed in September 2004; during the five-year period, priorities and objectives are structured to distribute 57 per cent of the CDBG funds to housing, 22.5 per cent to economic development, ten per cent to human services, ten per cent to neighborhood development and 0.5 per cent to homeless services; and including HOME, which is entirely for affordable housing assistance, and ESG, which is entirely for homeless services, almost two-thirds of the resources will be directed toward housing development.

The City Manager recommended that Council approve the 2005-2010 Consolidated Plan and that she be authorized to submit the plan to HUD for final review and approval, including execution of all necessary documents pertaining thereto, such documents to be approved as to form by the City Attorney; and that Council adopt the revised HUD Funds Policy incorporating a CDBG funds distribution of 57 per cent for Housing, 22.5 per cent for Economic Development, ten per cent for Human Services, ten per cent for Neighborhood Development, and 0.5 per cent for Homeless Services, with uses for HOME and ESG funds to remain unchanged.

Vice-Mayor Fitzpatrick offered the following resolution:

(#37051-051005) A RESOLUTION approving the 2005 - 2010 Consolidated Plan and authorizing the City Manager, or the City Manager's designee, to submit the approved Consolidated Plan to the United States Department of Housing and Urban Development (HUD) for final review and approval, and authorizing the execution of all necessary documents pertaining to such Consolidated Plan.

(For full text of resolution, see Resolution Book No. 69, Page 391.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37051-051005. The motion was seconded by Council Member Lea and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

CITY CODE-BUDGET-CMERP-EQUIPMENT: The Director of Finance submitted a communication advising that a Budget Stabilization Reserve Policy is a component of sound financial management of a local government; development of financial management policies is recognized by municipal bond rating agencies and is a recommended best practice by the Government Finance Officers Association (GFOA); and the importance of a budget stabilization policy is to define a level of reserves desired by an organization in assuring liquidity to address unforeseen financial needs.

It was further advised that while the City has several fund balance policies in place, including a reserve for self-insured liabilities, the Capital Maintenance and Equipment Replacement Program (CMERP), and the reserve for debt service, the City does not currently have a General Fund budget stabilization policy; although the City maintains a reasonable reserve in the Debt Service Fund, there is no adopted policy identifying such as a budget stabilization or rainy day fund, which was noted by all three bond rating agencies in the City's most recent credit review, with emphasis on the need for a reserve inasmuch as the City's bond indebtedness is anticipated to increase over the next few years; a policy was developed in coordination with the City's financial advisor and reviewed by analysts in municipal bond rating agencies; and the recommended policy was also reviewed by Council at the February 18, 2005 Annual Financial Planning Session.

Key elements of the policy include:

- Reserve floor - The reserve will be maintained at a level to provide working capital and a margin of financial flexibility; the reserve will be a designated portion of the General Fund balance, and will be maintained at a minimum of five per cent, with a target of eight per cent of the adopted General Fund expenditure budget for the current year.
- Reserve drawdown - Use of the reserve will occur only upon authorization by Council to address unforeseen emergencies, or due to significant declines in revenues that cannot be covered by other sources.
- Reserve growth - The reserve will be maintained within the target range by retaining interest earnings and by designating a portion of the undesignated fund balance to the reserve when necessary.
- Reserve replenishment - If the reserve is used, it will be restored to the five per cent minimum level within three fiscal years, after which time, it will continue to be increased toward the eight per cent goal.

It was explained that the primary fund balance policy currently in existence for the General Fund is the Capital Maintenance and Equipment Replacement Program (CMERP); the CMERP ordinance was originally adopted to address a lack of adequate funding in the adopted budget for capital equipment and maintenance needs; the CMERP ordinance reserved the entire General Fund balance for capital needs; during recent years, funding included in the adopted budget has systematically been increased to address capital needs, working toward the goal of including adequate capital funding in the adopted budget; in conjunction with adoption of the Budget Stabilization Reserve policy, the CMERP ordinance will be repealed, since adoption of the new policy would conflict with the CMERP ordinance and as funding is included in the adopted budget to address capital equipment and maintenance, the intent of the CMERP ordinance is no longer needed; and as the Budget Stabilization Reserve is adopted and the CMERP ordinance is repealed, the amount that previously would have been designated as CMERP will be considered undesignated fund balance and the undesignated fund balance will be available for one-time funding needs and may be appropriated for use in the subsequent year by Council.

The Director of Finance advised that the City's budget stabilization reserve will be established in the General Fund by a transfer of \$15.5 million from the Debt Service Fund; in conjunction with the transfer, the Debt Policy will be amended to reflect the impact of the new policy; while the residual Debt Service fund balance will continue to be reserved for future debt service and bond issuance costs, the goal of maintaining the balance at a level equal to one

year of debt service expenditure will no longer be included; it is believed that the policy will be beneficial to the City's continued commitment to long-term financial planning; and the reserve policy will be used in conjunction with Roanoke's other financial policies to help assure financial stability and protection of Roanoke's "double-A" bond rating credit quality.

The Director of Finance recommended that Council adopt resolutions establishing the Budget Stabilization Reserve Policy and amending the Debt Policy; adopt an ordinance to repeal the Capital Maintenance and Equipment Replacement (CMERP) ordinance; and adopt a budget ordinance transferring funds totaling \$15.5 million from the Debt Service Fund to the General Fund.

Council Member Cutler offered the following ordinance:

(#37052-051005) AN ORDINANCE amending Chapter 2, Administration, Article VIII, Finance Generally, of the Code of the City of Roanoke (1979), as amended, by repealing §2-189, Reserve for capital improvements and capital maintenance and equipment; and dispensing with the second reading by title paragraph of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 392.)

Council Member Cutler moved the adoption of Ordinance No. 37052-051005. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Vice-Mayor Fitzpatrick offered the following resolution:

(#37053-051005) A RESOLUTION approving and adopting a policy entitled "City of Roanoke Virginia Budget Stabilization Reserve Policy" for the City.

(For full text of resolution, see Resolution Book No. 69, Page 393.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37053-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Council Member Cutler offered the following resolution:

(#37054-051005) A RESOLUTION approving and adopting a Debt Policy for the City of Roanoke.

(For full text of resolution, see Resolution Book No. 69, Page 394.)

Council Member Cutler moved the adoption of Resolution No. 37054-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

Vice-Mayor Fitzpatrick offered the following budget ordinance:

(#37055-051005) AN ORDINANCE to transfer funding establishing the Budget Stabilization Reserve, amending and reordaining certain sections of the 2004-2005 General and Debt Service Funds Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 395.)

Vice-Mayor Fitzpatrick moved the adoption of Ordinance No. 37055-051005. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

ECONOMIC DEVELOPMENT: The City Manager submitted a communication advising that interest earned from the Capital Projects Fund and occasional land sale proceeds have traditionally been used for economic development or community development initiatives; and currently, no dedicated funding source is available for economic development or community development initiatives.

It was further advised that it would be beneficial to have a specified funding source when economic or community development opportunities arise; and adopting a policy which reserves Capital Projects Fund interest earnings and proceeds from the sale of general government property for economic development and community development initiatives would result in a dedicated funding source.

It was explained that funding will be used for economic and community development initiatives that include, but are not to be limited to the following:

1. Purchase of property for the purpose of economic development.
2. Economic development incentives.
3. Greenway Development.
4. Infrastructure improvements to support economic development and community development initiatives.

The City Manager recommended that Council adopt a policy designating Capital Projects Fund interest earnings and proceeds from the sale of general government property for economic development and community development initiatives.

Vice-Mayor Fitzpatrick offered the following resolution:

(#37056-051005) A RESOLUTION approving an Economic and Community Development Reserve Policy dedicating Capital Projects Fund interest earnings and proceeds from the sale of real property for economic and community development initiatives.

(For full text of Resolution, see resolution Book No. 69, Page 396.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37056-051005. The motion was seconded by Council Member Lea and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

BUDGET-CITY CODE-CITY MANAGER: The City Manager submitted a communication advising that Section 2-121 of City Code authorizes the City Manager to make transfers up to \$75,000.00 within or between departments and divisions as set forth by fund in the annual appropriation ordinance.

It was further advised that as a part of year-end processing, there is a need to transfer funds for items such as salary lapse and internal service fund billings in excess of the \$75,000.00 threshold; and such actions currently require that a Council report be processed to authorize the transfer.

The City Manager recommended that Section 2-121 of the Code of the City of Roanoke (1979), as amended, be amended, to allow the City Manager to make transfers within or between departments and divisions in excess of \$75,000.00 from April 1 through June 30 annually; and the Director of Finance shall report such transfers to Council as a part of the quarterly Summary of City Manager Transfers.

Council Member Cutler offered the following ordinance:

(#37057-051005) AN ORDINANCE amending and reordaining §2-121, Authority to transfer funds, of Article V, City Manager, of Chapter 2, Administration, of the Code of the City of Roanoke (1979), as amended, to provide for the authorization of the City Manager to transfer funds; and dispensing with the second reading by title paragraph of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 397.)

Council Member Cutler moved the adoption of Ordinance No. 37057-051005. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Cutler, Dowe, Fitzpatrick, Lea, McDaniel and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was absent.)

There being no further business, the Mayor declared the meeting adjourned at 2:50 p.m.

A P P R O V E D

ATTEST:

Mary F. Parker
City Clerk

C. Nelson Harris
Mayor